PMA's: { Hardware—P. 22
Housewares—P. 14

Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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OCTOBER 8, 1979

Jamesway Insulation Center
INSULATION SELECTION GUIDE

Jamesway's Ledgewood, N.J., unit uses signing to explain differences between insulation sku's, as well as using the Government's tax credit as a costless "markdown." (DSN photo)

Discounters Maintain Edge In Merchandising Performance

NEW YORK—Discount stores maintained their merchandising performance edge over conventional department stores last year, particularly in hard lines, as both groups of retailers boosted markups but experienced higher markdowns and drops in gross margins and turns.

The merchandising productivity trend for discounter and conventional department stores was evident by comparing the NMRI's Mass Retailers' Merchandising Report, 1978-79 for discount stores and the NRMA's Merchandising and Operating Results of 1978 report for conventional department stores.

The productivity gap between discounters and conventional department stores narrowed as traditional retailers showed a much smaller increase in markups than discounters and thereby had more limited drops in markdowns, gross profits and turns.

The markups of conventional department stores are much higher than discounters' so that traditional retailers, to remain competitive, couldn't boost markons as much as discount stores did in 1978.

The end result of this was that the markup differences between the two types of retailers—especially in hard lines—wasn't as great as in previous years and the smaller spread enabled conventional department stores to improve their markdown, gross profit and turn performance, compared to discounters.

A comparison of the two reports (see chart, p. 40) shows that discount stores had higher turns than conventional department stores in seven categories, while traditional retailers led in seven with the turns even in two others.

Conventional department stores still had a higher markup in 14 categories while discounters' markup was higher in one—lawn and garden—and the same in hardware.

The higher markup for department stores in a broad range of goods also resulted in the conventional stores having a higher markdown in eight categories, while discounters' were higher in seven and even in one.

The higher markups of de-

(Continued on page 40)

Fuel Costs Should Up Winter Hardware Despite Concern Over Tight Spending

Nationwide DSN Report

Concern over tight consumer spending has cooled optimism, but hardware buyers expect rising home heating costs to fuel the department, and winter sales to:

- Provide bulk volume in window coverings and inserts, perhaps more than ever before.
- Produce less volume in smoke alarms due to plateauing.
- Show strong movement in heat-exchanging items and insulation now available for water heaters, doors, windows and the pipes of the proverbial kitchen sink.
- Be strong in snow-throwing equipment, although parts of the discount industry pefer to invest dollars elsewhere and question the viability of high ticket durables this season.

Fireplace equipment was bought heavily by discounters in expectation of a high volume year in the category, and chains such as King's, Jamesway, Bradlees, Caldor, Two Guys and Zayre were among those promoting the equipment in early fall to let the consumer know they're in the category. Heavy promotional emphasis will keep margins lower than in the past on the most popular screens, log baskets and poker sets—under 20% in many cases.

The category has broadened in number of manufacturers, tie-in items and total sku's; accessory sales are now coming in

(Continued on page 5)

Haddad on Heck's: 'Now's Good Time' To Cash in Chips

CHARLESTON, W.Va.—Fred Haddad's decision to seek a purchaser for Heck's may give him an opportunity to cash in his extensive stockholdings in the profitable chain and will involve ex-Heck's president Russell Isaacs, now executive vice president at Wheat First Securities, the firm handling the search for a buyer. Another Wheat First officer, chairman James Wheat Jr., has been a member of the board of directors at Heck's since 1976.

Haddad, chairman of Heck's said the diversified regional discounter was looking to be ac-

(Continued on page 40)

Discounting Week

CHAIN GANG. The Consumer Product Safety Commission is going after bicycle retailers in southern California because many of them allegedly have removed chain guards from "motorcross" bikes prior to sale, a violation of the commission's safety standards. Retailers are criminally liable for deliberate alterations and will be responsible for recalling.

CLOSED. Jefferson has closed the former J. B. Hunter store in Rochester, N.Y., which it acquired as part of a package earlier this year from Allied Stores. Jefferson executives said that a single store in the market was not cost effective and that the chain, involved with other expansion projects, did not wish to tie up additional resources in Rochester.

BACK IN HARNESS. George Richardson has joined Mr. Wiggs as hard lines merchandise manager, the same post he held at Jamesway.

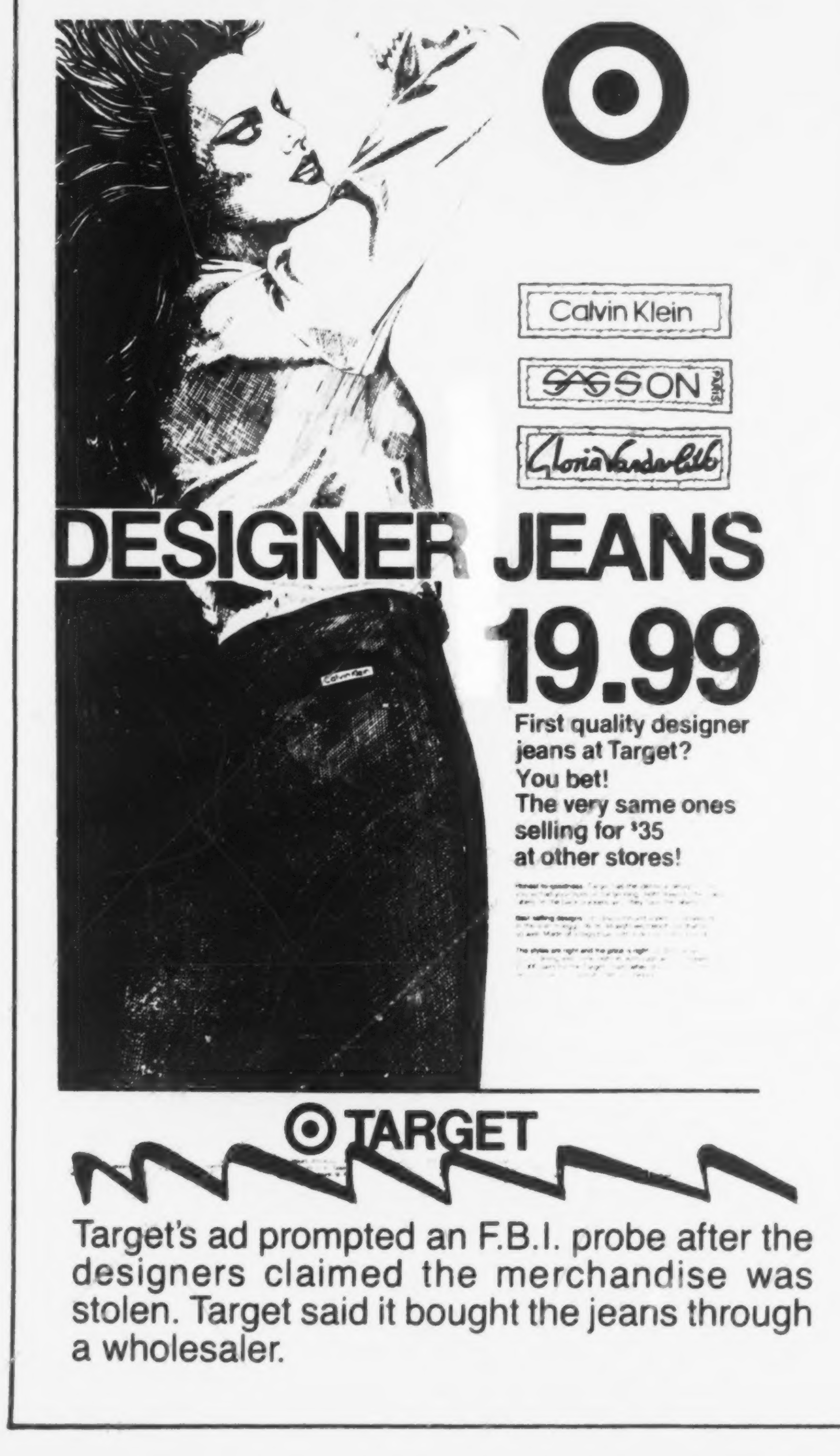
WOOLCO GROWS. Woolco has six openings scheduled for Oct. 31, in Salisbury, Md., Philadelphia, Humble, Tex., Houston, Pensacola, Fla., and Billerica, Mass.

Target's Fashion Jeans Coup Draws Mfrs.' Heat, FBI Probe

By JUDITH CROWN

MINNEAPOLIS—Target has called "outrageous and irresponsible" charges that the 21,000 pairs of designer jeans it recently advertised were stolen merchandise.

The controversy has sparked an F.B.I. investigation based on allegations by Calvin Klein, Gloria Vanderbilt and Sasson. Target says the jeans were purchased through conventional channels—"a wholesaler we've done business with for some time."


Calvin Klein
SASSON
Gloria Vanderbilt
DESIGNER JEANS
19.99
First quality designer jeans at Target?
You bet!
The very same ones selling for $35 at other stores!
TARGET

Target's ad prompted an F.B.I. probe after the designers claimed the merchandise was stolen. Target said it bought the jeans through a wholesaler.

Another result of the highly publicized buy may be a temporary tightening of the secondary market in branded or designer apparel, making it more difficult for apparel discounters to get current merchandise. The confrontation is the latest in a series of skirmishes between discounters and conventionals, which began several years ago when chains like Target and Two Guys began to promote Brittania and Levi jeans.

Target boosted its image and built traffic when it advertised the $35 Klein, Vanderbilt and Sasson originals for $19.99. But the ad, which ran in Minneapolis, Dallas, Houston, St. Louis, Denver and Colorado Springs, broke one of the unwritten rules of apparel discounting. Most apparel discounters keep a low profile and advertise only "famous maker labels."

"These are the same jeans sold for $35 elsewhere, not discontinued styles or closeouts," the ad said. "We purchased 21,000 pairs and when they're gone, there will be no more." The jeans quickly sold out—reportedly within three to four hours in some stores and within a week chainwide.

The three manufacturers contacted by *Discount Store News* pointed out, "We don't sell to discount stores," and suggested Target was selling stolen merchandise. (Sasson acknowledged the recent Supreme Court ruling that vendors may limit distribution for reasons other than price. Usually an upstairs supplier blames supply problems in order to avoid the discount market.)

An F.B.I. spokesman in Minneapolis confirmed an "active investigation into a possible

(Continued on page 5)

Buyers Hopeful Cost Hikes Won't Ambush Hunt Sales

Nationwide DSN Report

Three major ammunition cost increases this year coupled with the rising cost of firearms are a growing concern among buyers who, nonetheless, remain optimistic about sales to die-hard hunting enthusiasts for the upcoming season.

A fourth ammunition cost increase, in July, was rescinded, but with three boosts of 4%-8% each, buyers are predicting that hunters will cut down on practice shots.

"Instead of buying two or three boxes to allow for practice, the customer will buy one or two. But he won't stop hunting because the price of shells goes up," suggested a spokesman for Murphy's Mart. "However, hunters might put off purchases of new guns."

But, in the words of one buyer, "hunting is still the Christmas of sporting goods." The category is responsible for up to 80% of all winter sporting goods business and may account for 40%-45% of all sporting goods volume for discounters.

Seasons, types of hunting and regulations vary widely by state, even in the same region, and stores must be stocked accordingly. But chains nationwide depend on high-margin accessories such as shell belts and gun slings—preferably bought direct—to maintain overall hunting margins of about 30%.

Many chains promote firearms, shells, bows and accessories as early as the end of July, but the first big thrust is included in back-to-school promotions. Marlin Glenfield .22 rifles are the most widely promoted, with chains including Magic Mart, Meijer's, Murphy's Mart, S. E. Nichols and Ayr-Way advertising price points at $45-$55.

Black powder rifles have become a regional category after an upsurge stimulated by the Bicentennial. A spokesman for

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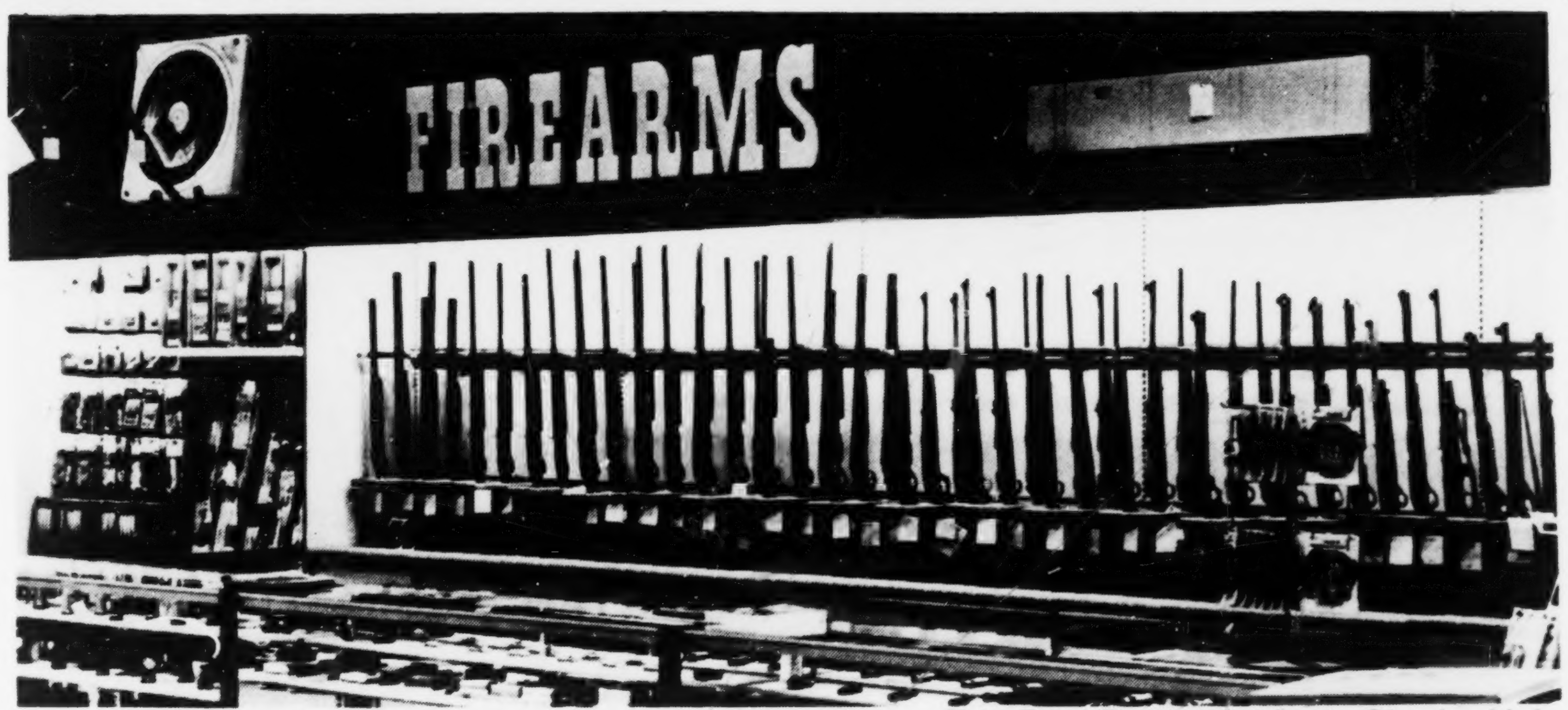

An extensive display of firearms and accessories is featured in Best Product's Maple Shade, N.J., showroom. Discount buyers are optimistic despite ammo and gun cost increases. (DSN photo)

Service Merch. Loss Will Cost Modern $19M

NASHVILLE—Service Merchandise's decision to leave the Creative Merchandising group in January 1980 and publish its own catalog will have the following impact:

- Modern Merchandising, parent of the Creative group, will have to replace about $19 million in revenues that DSN estimates Service's membership in the Creative group generated this year from its purchase of 6.5 million catalogs and some flyers.
- Service's own catalog will be similar to the Creative book in number of pages and merchandise categories and should eventually cost the showroom operator less to produce than the catalogs purchased from Creative.
- Best, Creative's second largest customer after Service, will be under less pressure to leave the group for competitive reasons now that Service has broken away.

Service generated approximately $15 million in revenues and $900,000 in operating profit for Modern in the restated 53-week fiscal period ended Feb. 3, 1979. Service used about five million of the 15.1 million catalogs Creative issued in 1978.

The figures for Service for 1978 include Value House which Service purchased during that year.

(Modern has changed its fiscal year to a February through January period. It has restated its results for last year and reported revenues of $522,518,000, an operating profit of $31,891,000 and net income of $17,121,000. In that period, Creative produced $38,807,000 in revenues.)

Service will use 6.5 million of the 19.1 million catalogs Creative has published for the 1979-

(Continued on page 8)

Zasloff Buys into Sau-Mill, Becomes Board Chairman

EAST MEADOW, N.Y.—Al Zasloff, who resigned as president of Two Guys a year ago, has become board chairman of hardware lessee Sau-Mill Sales.

Ernie Sauer, who formed Sau-Mill, continues as president and chief operating officer.

Sau-Mill, which operates the hardware, lumber and lawn and garden departments in the six Modell's Shoppers Worlds, has purchased Deal Distributors, a hardware lessee formed by Zasloff and Ed Goldinger.

Deal has hardware and lawn and garden departments in the two Valley Fair stores.

Zasloff and Goldinger became principals in Sau-Mill by purchasing the interest in the company held by William Model.

Goldinger is secretary treasurer of Sau-Mill, which continues to operate from its headquarters in East Meadow.

Zasloff, Goldinger and Sauer have known each other since 1958, when Sauer joined J. Z. Sales, then a major hardware, housewares and automotive lessee in the New York area handling about 150 depart-

(Continued on page 36)

In This Issue . . .

GOLDEN OLDIES. The current Housewares PMA is a collection of familiar products. In fact, only four items have broken onto the list and promotional products also showed weakness in midsummer. Staples were the strongest performers with 48% of the 150 spots and stepped-up housewares also did well as consumers seemed willing to spend a little more for higher quality. (P. 14)

REPLENISHMENT. Attention to detail in replenishing stock is the subject of this issue's Discounter Management Development Series. Many times neglected, reordering is a key component of any merchandising plan. Types of merchandise, replenishment factors and methods are discussed to help clarify reordering techniques. (P. 12)

GREAT OUTDOORS. Camping and hunting dominate the Sporting Goods PMA for the mid-July to mid-August period. Half of the top 50 dollar producers are in the camping or BB/pellet gun categories while retailers filling the ammunition pipeline for the fall hunting season put 11 related products onto the list. (P. 13)

PRODUCTIVE SECURITY. Bob Curtis continues his seven-part series on increasing the productivity of store detectives, examining the process of hiring and screening prospective security officers. Tips for choosing the right people for the job are part of this issue's installment. (P. 24)

FALL BUILDUP. Retailers were stocking up for fall in August, the results of the Hardware PMA indicate. While cautious of being overstocked, due to economic fears, chains have increased the dollar volume of power tool orders significantly. (P. 22)

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Vol. 18, No. 20 Oct. 8, 1979

The NMRI President's Corner

Private, Public Sectors Must Tackle Productivity Lag

By RICHARD I. HERSH

In the Aug. 11, 1979 edition of *The New York Times*, the second featured story was entitled "Lag in Productivity Called Major Peril to Living Standard."

I was a little disappointed to note little follow-up either by *The Times* or by news magazines highlighting what is probably the most important issue facing the United States today.

Sometime ago I wrote a column, following a trip to Europe, in which I indicated that while Europeans were extremely upset about the economic problems the United States was having domestically, and internationally with the continuing plunge of the dollar against foreign currencies, the major area that Europeans continue to talk about is the decline in productivity in the United States.

It was particularly shocking in April of 1979 to note, among major industrialized nations, that productivity gains in the United States were below those of Great Britain.

For years, we have not matched productivity gains of West Germany, Japan, Belgium, The Netherlands and France; but for us to fall behind Great Britain, which for years has been described by people in the United States and the American Government as the classic example of a power falling down around itself, is almost horrifying.

In the mid-sixties, when I was in college, I had an economics professor who was British, and had just returned from a sabbatical at the University of London. In his opening lecture to a group of American students, his major point was that England would be in "terrible trouble" in the late sixties and through the seventies, because, as he put it, "no one works."

It is frightening to think that the United States is getting into that position. If the predictions of $5.80 for a gallon of gas, and an average price of $150,000 for a house by 1988 are true, our rate of productivity must increase to help, as *The New York Times* indicated, not only low-income Americans but also the middle-income American.

Throughout history, a stable community has only been assured when there is a strong and viable middle class.

If today's middle class is relegated to a lower echelon in our society because its buying power has not kept up with inflation, the United States will be in far more trouble because of it than through the temporary fumblings of the Carter Administration.

It will be interesting to see what the Joint Economic Committee of Congress does with this information.

In my view, details of our productivity problems should be made available to all organizations and groups in the United States. Panels should be established in Congress to review both governmental structure and the private sector, to see how we can best achieve better productivity and how we have fouled it up.

Personally, I would hate to see that same economics professor go back to England and say to a group of English students that the United States is a place where "no one works."

In Our Next Issue . . .

SEASON'S GREETINGS. With the Christmas season approaching, discounters are preparing their small electrics gift-giving merchandising programs. DSN examines what retailers expect from this high-volume category in the coming months, focusing on new products that are promising as well as how old standbys will fare. Don't miss it—in our next issue.

LONG GREEN. Money may not grow on trees, but there are profits to be made from lawn and garden departments. In a special supplement, DSN will look at the trends in merchandising lawn and garden products and accessories and show how discounters have converted greenery into greenbacks. Don't miss it—in our next issue.

H&BA OUTLOOK. What's ahead for health and beauty aids? That question will be answered in DSN's Market Outlook. What consumers are buying and how discounters are merchandising the category will be thoroughly examined. Buyers from leading chains will offer their predictions on how the market will shape up in the coming months. Don't miss it—in our next issue.

Discounters Maintain Edge in Merchandising Efforts

(Continued from page 1)

partment stores and the improved showing in turns enabled these retailers to generate higher gross profits in 14 categories while discounters were higher in only two, hardware by 0.2% and lawn and garden (where discounters had a higher markup) by 4.1%.

The net effect of the push to produce better bottom line profits among both types of retailers is that discounters just maintained their overall productivity edge over department stores.

Hardware is one category where this trend was most evident. Both types of retailers have a 41.1% markup (conventional department stores dropped 0.2% to this level), but discounters' turns hit 2.9, compared to traditional retailers' 2.1, and discounters had a slightly higher gross margin.

In toys, discounters' markup of 36.3% is 4.4% below department stores' and this enabled discounters to generate 3.9 turns, one full turn higher than traditional retailers. (Department stores raised their toy markup by 0.6% to 40.7% and this helped them boost gross margins by 0.9% to 35.9%, 6.1% higher than discounters.)

Lawn and garden is the only category where discounters had a higher markup than department stores. This reflects the broader, trade-up lines discounters offered. But the higher markup also meant a 3.8% higher markdown at 15.1%. The higher markup, however, hasn't hurt turns

The narrowing of the markup gap in hard lines between department stores and discounters denote the continued use by conventional retailers of high-fashion, designer-brand apparel to generate high profits than can be used to offset lower markups and profits from basic hard lines.

Traffic appliances is one example of the latter merchandising thrust. Discounters' markup of 27.1% is only 1.1% less than department stores'.

Consumer electronics is another area where department stores have strengthened their competitive stance vis-a-vis discounters, going with a markup of 32.6% which is only 0.3% higher than discounters'.

Category	Markup[1]		Markdown[2]		Gross Profit[3]		Turns[4]		Sales/Foot[5]	
	Discount Stores	Dept. Stores	Discount Stores	Dept. Stores	Discount Stores	Dept. Stores	Discount Stores	Dept. Stores	Discount Stores	Dept. Stores
Ladies' Sportswear	46.8%	51.2%	12.9%	16.4%	36.3%	45.8%	4.2	4.7	N/A	$142.70
Men's Furnishings	43.9	48.8	9.6	5.9	34.9	47.2	3.6	3.5	N/A	148.20
Girls' Wear	43.9	50.2	13.0	13.1	36.8	47.4	3.4	4.2	N/A	74.80
Boys' Wear	43.9	48.0	12.6	10.3	36.4	43.5	2.7	3.1	N/A	84.00
Housewares[a]	38.6	44.0	5.8	7.8	34.3	40.8	5.2	2.2	$ 91.75	68.00
Traffic Appliances	27.1	28.2	7.7	5.4	21.0	24.4	3.1	3.2	N/A	211.00
Consumer Electronics[b]	32.3	32.6	8.1	6.7	21.9	27.3	2.3	2.7	206.44	N/A
Hardware[c]	41.4	41.4	6.5	11.8	34.3	34.1	2.9	2.1	132.91	N/A
Lawn & Garden	37.2	31.8	15.1	11.3	25.9	21.8	3.7	3.7	N/A	N/A
Sporting Goods	35.7	41.6	6.3	13.3	28.9	32.8	2.0	2.0	124.13	52.10
Photography	22.3	26.5	5.5	4.9	16.6	23.8	3.3	3.2	451.91	N/A
Toys	36.3	40.7	8.1	9.1	29.8	35.9	3.9	2.9	130.03	74.00
Stationery	43.2	46.3	3.1	5.8	40.3	43.0	3.1	3.5	97.32	150.70
Cosmetics & Drugs	28.8	38.8	3.4	1.4	26.2	38.3	3.8	3.2	192.03	224.90
Domestics	42.0	46.5	6.5	6.6	34.6	44.6	2.5	2.6	76.92	114.60
Fabrics	42.7	46.9	9.3	11.8	31.6	40.1	2.4	1.8	82.22	58.90

All statistics are median figures.

Sources: *Discount Stores—NMRI's Mass Retailers' Merchandising Report, 1978-79; Dept. Stores—NRMA's "MOR" report of 1978 results*

[1] *—Discount store figures exclude transportation. Department store figures are cumulative markon including transportation.*

[2] *—Figures include promotional markdowns. Department stores also include employee discounts.*

[3] *—Discount store figures are based on gross sales before shrink. Department store figures are based on net sales.*

[4] *—Discount store figures include warehouse stock. Department store figures are only for store stock.*

[5] *—Discount store figures are from DSN 1979/80 Census. Statistics for both retailers are based on selling space.*

[a] *—NMRI figures include china and glassware. NRMA figures exclude china, glassware, bath shop, closet shop and home decor.*

[b] *—NRMA figures exclude TV.*

[c] *—Paint and accessories excluded from both retailers' figures.*

Haddad on Heck's

(Continued from page 1)

quired because "now is a good time for such a move, with lots of acquisitions going on and Heck's stock trading at its highest."

Haddad could get $11 million to $16.5 million for his 550,376 shares if offered a cash acquisition proposal in the $20 to $30 per share range. Haddad is the company's largest shareholder.

Heck's, which had a net worth of $66.5 million at the close of the fiscal year ended Dec. 31, 1978 and a book value of about $11 a share, was trading in the $17-$19 range at presstime. There are 6,475,665 shares outstanding.

A $20-$30 price for Heck's stock would be within the premium of other recent retail acquisitions. It would mean that the acquiring company would have to pay $130 million to $194 million for Heck's, which had $285,535,791 in sales and $10,049,465 in net income in fiscal 1978.

The $17-$19 price for Heck's stock is a high that reflects Wall Street's expectation that the discounter will be acquired. Before Heck's interest in being acquired was acknowledged by Haddad, the company's stock was trading in the $11 range. Last year Heck's stock ranged from $8 to $14.50.

Heck's is among the most profitable discounters as measured by net income as a percentage of sales. DSN's ranking in the 1979/80 Census issue had Heck's in second place with net income as 3.77% of sales.

The other brokerage house looking for a buyer for Heck's is Merrill Lynch's White Weld Capital Markets Group.

Shifting Gears

The decision of Heck's management—and particularly of Haddad—to look for a company to acquire or merge with the discounter is a major change in Heck's growth thrust. In the past, the company has aggressively acquired other firms. Its business activities today include specialty store retailing, wholesaling and sale and lease of off-the-road vehicles and heavy construction equipment.

Haddad, who has been the key executive with Heck's since he helped found the company in 1959, said that he would continue with the chain after an acquisition, but that such a move would give him a chance to relax a little.

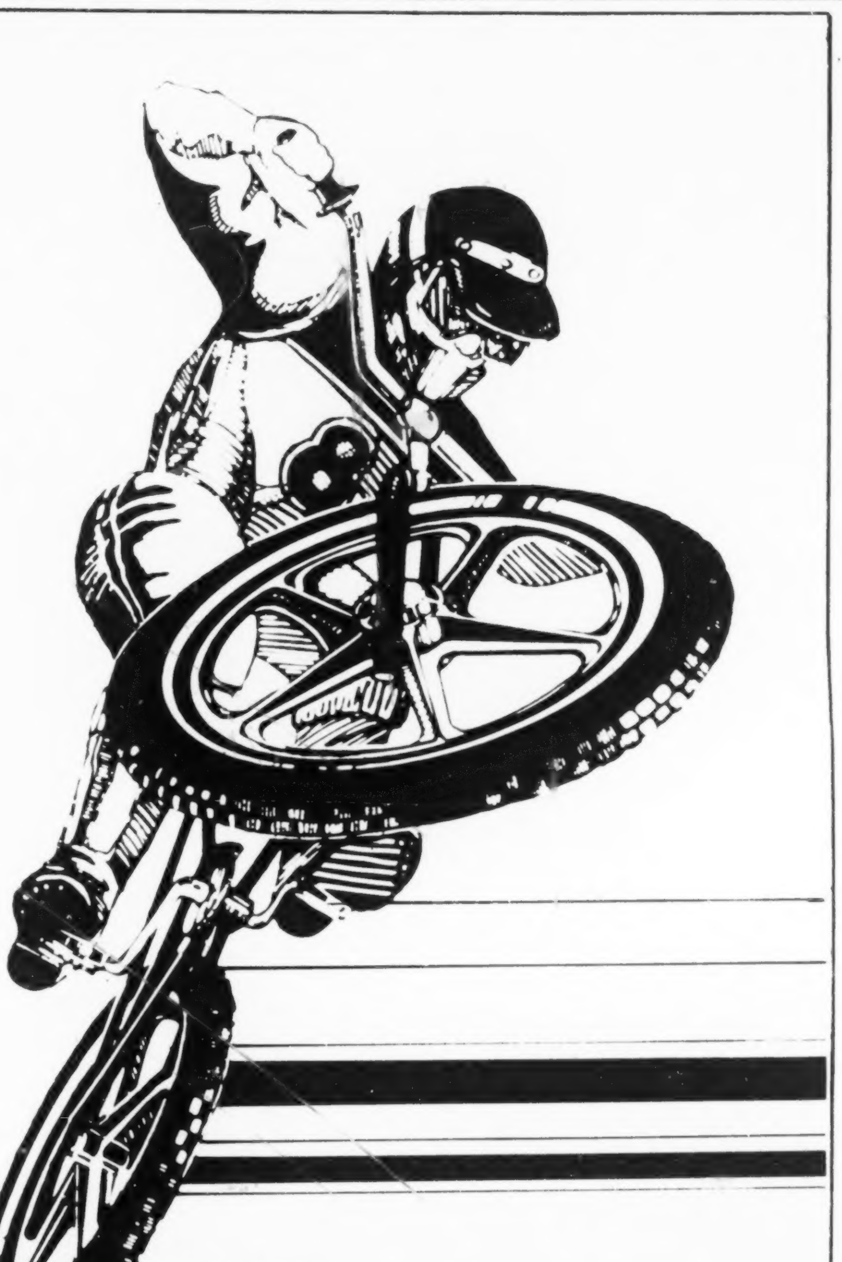
Haddad's direction of Heck's has been marked by its aggressive acquisition program—the discounter has 10 subsidiary companies—and by a lean administration with just a few longstanding top executives.

While Heck's has 10 subsidiary companies, none of the officers of these firms are listed as either directors or officers of the parent.

The complete dominance of executives associated with Heck's discount stores in the company's top management denotes both the overwhelming impact that the discount stores have on the parent's finances and Heck's method of acquiring firms which is to mainly use cash and thereby limit the dilution of the common stock.

In the fiscal year ended Dec. 31, 1978, Heck's discount stores generated $180.7 million in sales or 62.7% of total corporate revenues. In the previous fiscal year the discounter stores produced $147.7 million in sales.

Discount stores sales went up 22.3% but accounted for a smaller portion of total revenues because of the infusion of $22.6 million in sales from the Felsway Corp..



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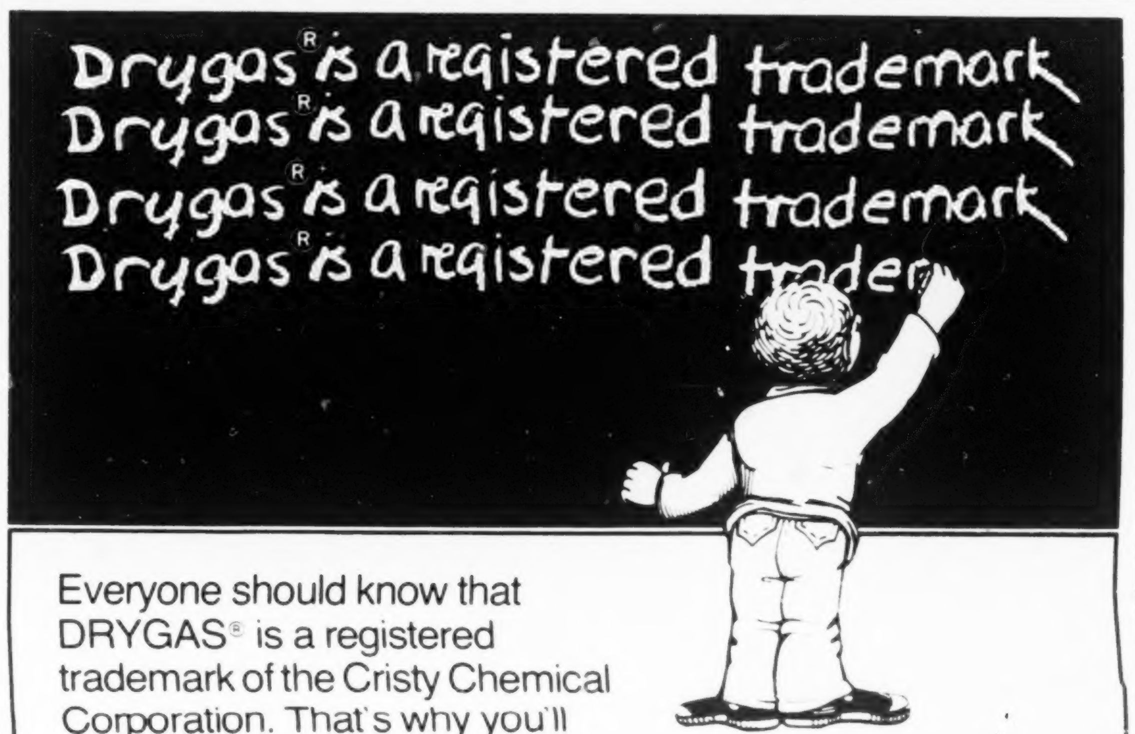
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DIY, Auto Biz Most Consistent in '78-79

Nationwide DSN Report

Home improvement and automotive accessory departments were the most consistent sales producers for discount stores last year, according to statistics in the 1978-79 Mass Retailers' Merchandising Report, published by the National Mass Retailing Institute.

The report breaks out sales within each department by sales accounting period, giving the percentage of department sales achieved in each of the 12 periods (of four or five weeks duration).

Sales in home improvement departments ranged from a low of 5.7% in the first period (February) to a high of 11.1% in the period that corresponds roughly with September, showing the least seasonality of all departments measured.

Auto accessory sales were almost as consistent during the year, ranging between 4.8% (in February) and 10.4% (in December).

Basic apparel items proved their year-long appeal, as bras and foundations; blouses, sweaters, and sports, leisure and beach wear, and infants' clothing all showed sales percentage ranges lower than 9.2 percentage points (see chart).

Including juvenile furniture within the infants' wear category made the department's sales even more consistent. Nonseasonal sales of such items as high chairs, cribs, playpens and car beds flattened out the peaks and valleys, reducing the percentage variation to 8.5 points.

Books recorded more than 14% of their sales during the period that coincides (roughly) with December, reflecting the giftability of hardcover editions. The lowest sales period for the book department was 5.8%, in February, and the variance of only 8.6 percentage points makes books one of the most consistent sellers.

Two other basic departments —housewares and paint—were also among the 10 most consistent departments, with no more than 9.5 percentage points variation between the best-selling period and the slowest. Paint peaked in the summer months, (when DIYers could wield paint brush and

(Continued on page 34)

Building Supplies Show Least Fluctuation

Rank	Department	Feb. 4 wk.	March 5 wk.	Apr. 4 wk.	May 4 wk.	June 5 wk.	July 4 wk.	Aug. 4 wk.	Sept. 5 wk.	Oct. 4 wk.	Nov. 4 wk.	Dec. 5 wk.	Jan. 4 wk.	Range
1	Building Supplies	5.7	6.7	8.8	6.5	8.2	7.1	8.1	11.1	9.7	10.7	9.9	6.2	5.4
2	Auto Accessories (Excluding Serv., Labor)	4.8	7.9	7.8	8.5	9.8	7.5	8.5	10.1	10.3	9.4	10.4	4.6	5.8
3	Domestics	5.6	7.9	8.0	8.2	7.8	7.8	7.6	8.9	8.2	8.9	12.4	5.5	6.9
4	Bras and Foundations	6.0	8.6	8.0	8.7	12.1	8.0	10.3	9.3	6.7	7.3	10.1	5.0	7.1
5	Infants' (Incl. Furn.)	5.0	8.8	7.4	7.1	7.1	6.1	8.1	11.3	9.9	10.6	13.5	5.2	8.5
6	Blouses, Sweaters, Sports, Leisure, Beach Wear, etc.	4.3	7.5	6.9	8.9	11.0	7.2	9.9	9.9	8.2	8.9	12.7	4.1	8.6
7	Books	5.8	8.3	6.4	6.9	8.3	7.0	7.0	9.9	8.1	9.0	14.4	6.1	8.6
8	Housewares	5.0	7.3	7.3	8.4	8.0	7.5	8.2	9.5	7.5	9.1	14.2	5.4	9.2
9	Infants' Wear	4.8	9.8	7.6	7.3	6.7	5.5	8.0	11.3	10.9	10.6	12.8	3.6	9.2
10	Paint and Accessories	3.5	7.8	9.6	10.6	12.5	10.3	10.1	11.2	8.4	7.0	5.2	3.0	9.5

Toys, Jewelry Still Most Seasonal

Rank	Department	Feb. 4 wk.	March 5 wk.	Apr. 4 wk.	May 4 wk.	June 5 wk.	July 4 wk.	Aug. 4 wk.	Sept. 5 wk.	Oct. 4 wk.	Nov. 4 wk.	Dec. 5 wk.	Jan. 4 wk.	Range
1	Toys and Games	2.4	4.6	4.4	4.7	6.0	4.0	4.5	5.8	8[illegible]	18.0	31.3	1.6	29.7
2	Jewelry and Watches	4.7	6.4	5.1	6.9	6.9	4.7	6.5	7.3	5.8	12.5	31.2	2.7	28.5
3	Men's Furnishings	3.1	5.3	5.7	5.6	10.7	5.2	6.7	7.4	8.4	12.1	27.1	3.3	24.0
4	Traffic Appliances	4.1	5.8	5.2	8.7	8.4	6.4	6.0	7.1	6.7	11.6	26.4	3.2	23.2
5	Costume Jewelry	4.5	5.9	7.4	7.2	7.8	5.1	6.2	7.1	6.2	10.3	26.1	3.1	23.0
6	Lawn & Garden	2.0	9.1	17.9	23.5	23.1	9.1	4.9	5.2	2.3	1.8	2.7	0.8	22.7
7	Photo Supplies (Incl. Film)	4.5	6.7	5.8	7.2	11.5	7.9	6.8	6.5	5.3	8.5	25.0	4.0	21.0
8	Gifts, Flowers	3.5	6.6	5.6	10.8	6.9	5.2	6.2	6.7	6.9	10.5	22.8	5.0	19.5
9	Men's Coats, Suits, Outerwear, Sportswear	3.2	6.7	5.8	6.2	9.1	5.2	7.6	8.8	10.1	12.6	20.9	2.5	18.4
10	Men's Wear	3.7	6.2	5.9	6.0	8.4	5.3	7.4	8.2	9.1	12.2	21.8	3.4	18.4

The charts above list the 10 most seasonal departments and the 10 least seasonal departments, as measured by the degree of variation in percentages of sales recorded during each four- or five-week sales accounting period. The first (four-week) period started in February. Basics-oriented departments like auto, housewares, books and domestics showed the flattest sales figures, while gifty or weather-related product lines like electric housewares, toys, outerwear and lawn and garden showed the most variation. (The variation shown as "range" after each entry is the arithmetic difference between the highest and lowest sales percentages during the 12 accounting periods.)

Source: *Mass Retailers' Merchandising Report 1978-79*, published by the National Mass Retailing Institute.

1st Jefferson on Fla. W. Coast Gets Warm Sales Reception

FORT MYERS, Fla.—Jefferson has opened its first store on the west coast of Florida, surprising even itself with the initial acceptance in the new market.

"If we continue at this rate," said store manager Bill Allen a week after the opening, "we'll do our first month's sales projections in the first two weeks."

While Allen and headquarters executives would not reveal the first week's sales, other sources at the chain reported that the Fort Myers store exceeded $500,000 in that period.

The store, located on Colonial Road less than a mile from Route 41—the Tamiami Trail which is the major highway through the city—is surrounded by major competitors within a mile radius. Other mass merchandisers nearby include a Woolco, K mart and a Gibson's and conventional department store chains in a mall almost adjacent to the new store are Sears, Penney and Burdine's.

The new Jefferson, with 135,000 sq. ft. of total area and approximately 95,000 sq. ft. of selling space includes several new wrinkles for the chain. One major change is a much larger stockroom than previous Jefferson stores.

Located on the second floor at the rear of the building adjacent to the office area, the stockroom has almost 20,000 sq. ft. of storage space, Allen said.

"Our previous stores were all clustered on the east coast near the distribution center in Miami," Allen said. "We're a three-hour drive from Miami so it was decided to give us more storage area than stores closer to Miami would have."

The Fort Myers store also has a department similar to that in other stores but which has been rechristened "The Wine Cellar." In other stores that department has been known as the gourmet shop and, in addition to wine, carries steaks, fruit (mainly for tourists who want to ship home oranges and grapefruits), bulk candy and snacks.

"We have never really done too much in the way of 'gourmet food' so that name really wasn't appropriate for the department," Allen said. "However, we do a great business in wine and all the stores will eventually switch to that name."

Like other Jeffersons, all merchandise departments are company owned, as is the restaurant. The only leased department is the optical center, which is located in the front of the store to the left of the main entrance across from the customer service desk in an alcove leading to the restaurant.

Fits Upscale Approach

Fitting Jefferson's soft lines emphasis and its upscale approach to mass merchandising, beyond the 14 checkouts at the main entrance the customer is confronted with an attractively fixtured franchise cosmetics department in the center with men's apparel to the left and women's to the right.

Almost the entire right front quadrant of the store—approximately 20% of the total selling space is taken up with women's fashions and accessories with about 45% of the selling area store-wide set aside for soft lines.

Soft lines areas are carpeted and each department's rug color is coordinated with the signing. In women's sportswear, for example, the lettering and trim on the signs are light green as is the carpet. The

(Continued on page 34)

Begins Full-scale Wanding Program

MIAMI—Jefferson has become the first major mass merchandiser to begin full-scale implementation of wanding—automated point of sale terminals.

According to Fred Heard, Jefferson's vice president of systems, all 12 Florida stores will have wands installed at all terminals by the end of the fall and the chain's stores in northern markets will have the hardware installed within two years.

The installation of wands—hand-held scanners—completes Jefferson's modern electronic inventory management system. Prior to the conversion, which has been completed in the Hialeah store and the new Fort Myers unit, sales information was fed daily from the store terminals to a central computer, but was fed into the terminals manually by cashiers.

"We already had been on-line so we were getting the inventory information. The benefit with wanding will be that the information will be more accurate," Heard explained.

"Wanding eliminates the possibility of cashier error in ringing up the price, which will have a financial impact. But there is no way to put a dollar amount on getting more accurate tracking of sales by department and sku. It's very important that we have accurate information there. The wrong sku number fed into the terminal isn't one mistake but two because the product that should have been recorded isn't and something else is."

Another benefit will be speedier checkouts, Heard noted. Perhaps the most difficult customer relations problem for mass merchandisers with central checkouts is the length of time spent in line, he said.

Scanning specially printed tickets increases checkout productivity, giving the retailer the choice of maintaining the same level of service with fewer people, thereby reducing labor costs, or increasing the level of service by maintaining the same number of cashiers.

"Ideally, what most retailers will do is compromise, increasing service somewhat but at the

(Continued on page 34)

Wanding has been installed in some Jefferson stores, will be in all Florida units by fall, and in the rest during the next two years. Equipment reduces errors, speeds lines. (DSN photo)

Nichols Acquires 2 Fields; 3rd Bid Pending

NEW YORK—S. E. Nichols has acquired at least two former J. M. Fields stores and at presstime was remodeling one, the 90,000-sq.-ft. unit in Greenville, S.C., for an opening next month.

Nichols' other acquired former Fields is the 90,000-sq.-ft. unit on Aviation Avenue and Route 52 in Charleston, S.C.

The discounter was the high bidder for three Fields stores during the New York Federal Bankruptcy Court's July auction of Fields stores. But its offer wasn't accepted until last month when it was raised to a total of $825,000 for just the two stores.

The court's auction of additional Fields stores is scheduled to resume Oct. 11, with at least six more units on the block, including another 90,000-sq.-ft. Fields in

(Continued on page 23)

DIY, Auto Most Consistent

(Continued from page 3)

roller outside as well as in).

The most seasonal department with a sales variation of 29.7 percentage points, was toys. The December sales accounting period recorded 31.3% of the business, and January only 1.6%.

Other highly seasonal departments were also gift-related. Jewelry and watches (31.2% of sales in December), costume jewelry (26.1% in December), traffic appliances (26.4% in December), photo supplies (25% in December) and gift departments (22.8% in December) all recorded variations—between the highest and lowest sales accounting periods—of between 19.5 and 29.7 percentage points.

Weather conditions brought high variations in sales for lawn and garden.

Departments with peak sales in periods other than the final five-week December period included home improvement (September, 11.1% of sales), lawn and garden (May, 23.5%) sporting goods (June, 15.2%), paint (June, 12.5%), luggage (June, 17%) and bras and foundations (June, 12.1%).

The complete Mass Retailers' Merchandising Report for 1978-79 is available from the National Mass Retailing Institute, 570 Seventh Ave., New York, N.Y. 10018. The report includes sales by accounting periods, markups and markdowns.

Jefferson Opening

(Continued from page 3)

juniors department is designated by orange signs and carpets while other major apparel departments are done in rust and beige colors.

Hard lines, which are in the rear and left sections of the store have a strong representation of Montgomery Ward private label products, especially auto, hardware, paint and white goods.

According to Allen, the identification with Ward, its parent company, is an important factor in the new store's strong initial acceptance in the Fort Myers market.

"Around Miami, Jefferson has been there for a long time and has built its own identity. On the west coast, there really isn't a very strong awareness of what Jefferson is, but we have a lot of people who move here from the Midwest who know Montgomery Ward," he said.

The store has more than 270 part- and full-time employees, about average for a Jefferson, and unlike conventional discounters each department has at least one employee on duty at all times to assist customers. In addition to the 14 central checkouts, many departments have their own point-of-sale terminal, all of which are equipped for wanding. Jefferson also employs commissioned salesmen in its television, major appliance and furniture departments.

That the chain intends to expand on Florida's west coast is indicated by its setting up of a regional service center in Fort Myers. Allen said a small warehouse has been rented and is now in the process of being equipped and staffed.

Wanding Program

(Continued from page 3)

same time making a small reduction in the number of cashiers. If you can have 10 people using wands handle the flow that 20 could do manually, maybe you cut back to 15," he said.

While Heard would not disclose the cost of converting the stores to wanding, he estimates that payback will be achieved within two years. Besides the wanding hardware itself, the terminals' memory has to be upgraded by 50% to accommodate the new tasks. Each store has about 30 terminals.

No Added Cost

Heard said, however, that there was virtually no additional cost in preparing the specially printed price tickets. "You have to put a ticket on anyway and the characters are legible both to the optical character reader and to the human eye."

Jefferson is using a system made by Recognition Products Inc., and a type font known as OCR-A. Virtually all merchandise is ticketed with the OCR-A characters so that cashiers rarely must ring up sales manually. According to Heard, for wanding to be effective, at least 75% of the merchandise must be tagged so that the scanner can automatically read the ticket.

Major Difference

The major difference between this type of wanding and the scanners used in supermarkets is that supermarket-type scanners read Universal Product Code (UPC) markings, which are printed on the items by the manufacturers and which are not legible to customers. With OCR-A wanding, the retailer typically puts on his own tags, which are clearly readable. While one pass over a (UPC) scanner records the product information, wands must be passed over each line of information on the ticket.

In Jefferson's case, three lines are printed on each ticket, department identification, sku number and price. Sale items have a red tag pasted over the price line on the bottom and while the first two lines can be read by the wand, sale prices must be rung manually.

Since last December, all stores have had tickets printed with OCR-A characters although the wands were installed in Hialeah only in July, with Fort Myers opening last month.

DISPOSABLE PREDICTION #1:

Merchandisers predict disposable shavers will be the fastest growing men's grooming aid during the 1980s.*

*Source: Progressive Grocer Survey of HaBA Merchandisers and Buyers, August 1979.

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SPORTING GOODS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	6	Coleman fuel, 1-gal 5103253	9,180	2.91	26,714
2	36	Spalding Dr. J. Basketball 61-232	1,632	11.91	19,437
3	3	Coleman dbl-mntl lntrn 220J-195	793	23.66	18,762
4	—	Remington Yellow Dome trgts 688118	2,164	5.00	10,280
5	19	Rem. 22LR Thndrblt ammn TB22	6,300	1.26	7,938
6	1	Coleman 48-qt poly clr 5286-703/706	299	22.91	6,850
7	11	Coleman 2-burner stove 425E499	276	24.40	6,734
8	14	Crosman BB/177 rifle 5760/760	188	31.41	5,905
9	—	Rem. 2¾" expr shot shell SP20-6	1,000	5.44	5,440
10	—	Crosman .177/BB CO-2 rifle 5073	235	20.58	4,836
11	—	Spalding Barry Basketball 61-226	246	14.49	3,565
12	22	Coleman 1-gal jug	441	7.48	3,299
13	—	Crosman Powerlet 5-pck 231/5PD	2,040	1.48	3,019
14	—	Crosman pump BB/177 pistol 1377	89	32.78	2,917
15	9	Zebco 600 reel/4060 rod combn 2490	209	13.63	2,849
16	33	Zebco 808 reel/8965 rod combn 3790	83	30.92	2,566
17	—	Remington 2¾" expr sht shl SP20-7½	460	5.44	2,502
18	37	Zebco 202 reel/2023 rod combn 1245	278	8.11	2,255
19	39	Zebco 404 reel/4040 rod combn 1545	206	10.89	2,243
20	8	Zebco 33 reel/3366 rod combn 3490	90	23.24	2,092
21	46	Ash flashlight w/2D or 2C battrs 3092	846	2.45	2,073
22	—	Coleman 16.4-oz prpne fuel 5103-164	864	2.36	2,039
23	—	Crosman BB/177 pellet rifle 5766/766	50	38.74	1,937
24	—	Coleman propane lantern 5114-700	103	18.10	1,864
25	23	Crosman Milk Carton Super BBs 737	1,656	1.12	1,855
26	—	Rem. 158-gr 38-spl ammun 38S5/5138	206	8.88	1,829
27	32	Zebco US76/4077 rd & lre cmbn 1515	138	12.47	1,721
28	—	Coleman 21A slk mntl, 2-pck, 21A-1001	3,900	0.44	1,766
29	—	Guardina NFL Mouthguard 175	1,320	1.30	1,716
30	—	Remington HS 22 short ammun 1022	1,300	1.24	1,612
31	4	Cole. 34-qt poly coolr 5281-703/706	132	12.04	1,589
32	—	Daisy BB/177 pump rifle 880	50	31.53	1,577
33	—	Crosman 177 gas revolver 38T	48	32.78	1,573
34	—	Daisy BB/177 CO-2 pistol 1200	63	24.62	1,551
35	—	EZ Mount 2-position trck gun rck #100	340	4.52	1,537
36	—	Hoppe clay target thrower 4000	40	37.13	1,485
37	—	Crosman .22 caliber pellet rifle 2200	34	41.48	1,410

(Continued on page 18)

Rifle, handgun and shotgun ammunition are turning rapidly as the hunting season approaches. Clerk and customers huddle in the Nebraska City, Iowa, Pamida unit. (DSN photo)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Camping Gear Is No. 1; Guns, Ammo Hit Mark

By DON PETTI
President,
Stem Distributing

Equipment for family activities, either on camping trips or in the backyard in this year of gasoline shortages, dominated the Stem Distributors Product Movement Audit for the month ended Aug. 17. Camping and BB/pellet guns accounted for half of the top 50 dollar-movement items.

Retailers stocking up for preseason hunting sales moved 11 ammunition and related products onto the chart, and fishing equipment—rod and reel combinations—also made a strong showing as retailers filled in.

Other product lines among the top 50 included the popular Spalding basketball models, a flashlight/battery combination and a football mouthpiece.

Coleman products for camping and backyard activities made their usual strong showing, with perennial best sellers such as the 1-gal. fuel can, double-mantle lantern, 48-qt. cooler and two-burner stove winding up in first, third, sixth and seventh place respectively.

The combined dollar movement (at retail) for these four products alone during the month amounted to 52.3% of the total dollar movement among the top ten sellers.

Other Coleman products on the audit included the 1-gal. jug (12), propane fuel cylinder (22), propane lantern (24), silk mantle replacement 2-pack (28), 34-qt. cooler (31), 413-G-499 two-burner stove (38), 4-gal. Oscar cooler (44) and 275-710 lantern (47).

Coleman so completely dominated the camping/family activity category that only one other product line—the Family 1-qt. thermal bottle in 41st place—made the top 50 dollar movers.

Ammunition and hunting accessories were the second biggest factor in the chart, placing 11 different items, with Remington products first among them.

Remington's Yellow Dome clay targets were the highest-placed hunting accessories on the list, placing fourth on movement of $10,280 at retail

(Continued on page 18)

Figures supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio, cover 600 stores, including 480 discount department stores, in 35 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

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Discount Store News

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PRODUCT MOVEMENT AUDIT

Camping Gear

(Continued from page 13)

during the period. Hunters getting ready for the waterfowl season across the nation this fall were responsible for this action, and for the appearance on the chart for the first time of Hoppe's target thrower, in 36th place.

Remington's popular Thunderbolt 22-cal. ammunition finished among the top ten (fifth place, retail dollar movement of $7,938), and the skeet shooters boosted sales of the 2 ¾-in. express shot shells in SP20-6 and SP20-7½ into the top 50.

Other ammunition lines to make the top 50 were the 158-grain 38-special pistol cartridges, the high-speed 22-short shells, 170-grain 30/30 shells, 158-grain .357-magnum pistol cartridges and the 180-grain 30-06 shells. Shooters preparing for the coming big- and small-game hunting seasons probably accounted for the movement in the heavier cartridges and the Remington Thunderbolt, while plinkers and target shooters usually push the high-speed 22-cal. shorts and pistol cartridges onto the list.

Also for the hunting trade is the Ez Mount two-place truck gun rack, which is frequently on the list—a popular item with pickup-driving hunters and plinkers.

In fishing equipment, retailers filling in their depleted stock of basic outfits pushed nine rod-and-reel combinations onto the top 50 list, including seven Zebco outfits and two Daiwa sets.

Zebco's 2490, 3790, 1245, 1545, 3490, 1515 and 8040 combinations appeared on the top 50 list, in that order, and Daiwa's 208RL/133OP spincast combination and MC1-38/MC2-38 minicast combination also made the top 50.

Crosman led the way among BB and pellet guns, placing nine different products on the list. Daisy had two lines in the top 50, and the Marksman MPR/1010 also made it.

Crosman's 760 rifle finished in eighth place among the top dollar movers, followed closely by the CO-2 powered 5073 rifle. Powerlets for the CO-2 rifle finished 13th, followed by the 1377 pistol, the 766 rifle, the 38T revolver, the 2200 pellet rifle and the pellet dispenser, which made the top 50 retail dollar movers in spite of its low (63¢) average ticket.

Three Spalding basketballs—the Dr. J, Rick Barry and Swisher models—finished in second, 11th and 39th respectively. The Dr. J. model, with $19,437 in retail sales during the period, was the leader.

SPORTING GOODS

$ Rank		Item	Unit Movement	Average $ Retail	Total $ Movement
		(Continued from page 13)			
38	—	Coleman 2-burner stove 413-G-499	40	34.41	1,376
39	16	Spalding Swisher basketball 61-275	162	8.46	1,371
40	—	Rem. 170-gr 30/30 ammun 30302/1430	193	6.69	1,291
41	—	Family 1-qt thermal bottle 042	372	3.38	1,257
42	—	Rem. 158-gr 357 mgnm pstl ammn	101	12.36	1,248
43	26	Daiwa spincast combn 208RL/1330P	55	22.67	1,247
44	—	Coleman 4-gal Oscar cooler 5274-702	108	11.46	1,238
45	15	Daiwa minicst cmbn MC1-38/MC2-38	48	25.58	1,228
46	—	Crosman 177 pellet disp 7177/177PD	1,908	0.63	1,202
47	38	Coleman lantern 275-710	41	28.38	1,164
48	—	Rem. 180-gr 30-06 ammn 30064/6430	128	8.54	1,093
49	—	Marksman repeater pistol MPR/1010	96	11.35	1,090
50	47	Zebco spin combination 8040	79	13.38	1,057

Source: Stem Distributing

Canister-Packed Soft Drinks Lap Up Sales

Canister-packed noncarbonated soft drinks are one of the hottest consumable categories.

The national market at retail of more than $500 million in such products as Kool-Aid, Country Time, Wyler's and Hawaiian Punch powdered drink mixes lends itself ideally to high-profile, self-service merchandising. The nationally known brand names aid in promotions, pulling traffic into the stores when featured (as they are frequently) on the front of inserts and circulars.

Canisters—in 8- and 12-qt. sizes—have captured more than 80% of the market, and the popular soft drinks are becoming less of a summer seasonal line, although the April-September period still moves approximately 65% of the total.

Most popular flavor? Lemonade, far and away, which gets 42% of the business. Other flavors, in order of their popularity, are punch, grape, cherry, strawberry, orange and raspberry.

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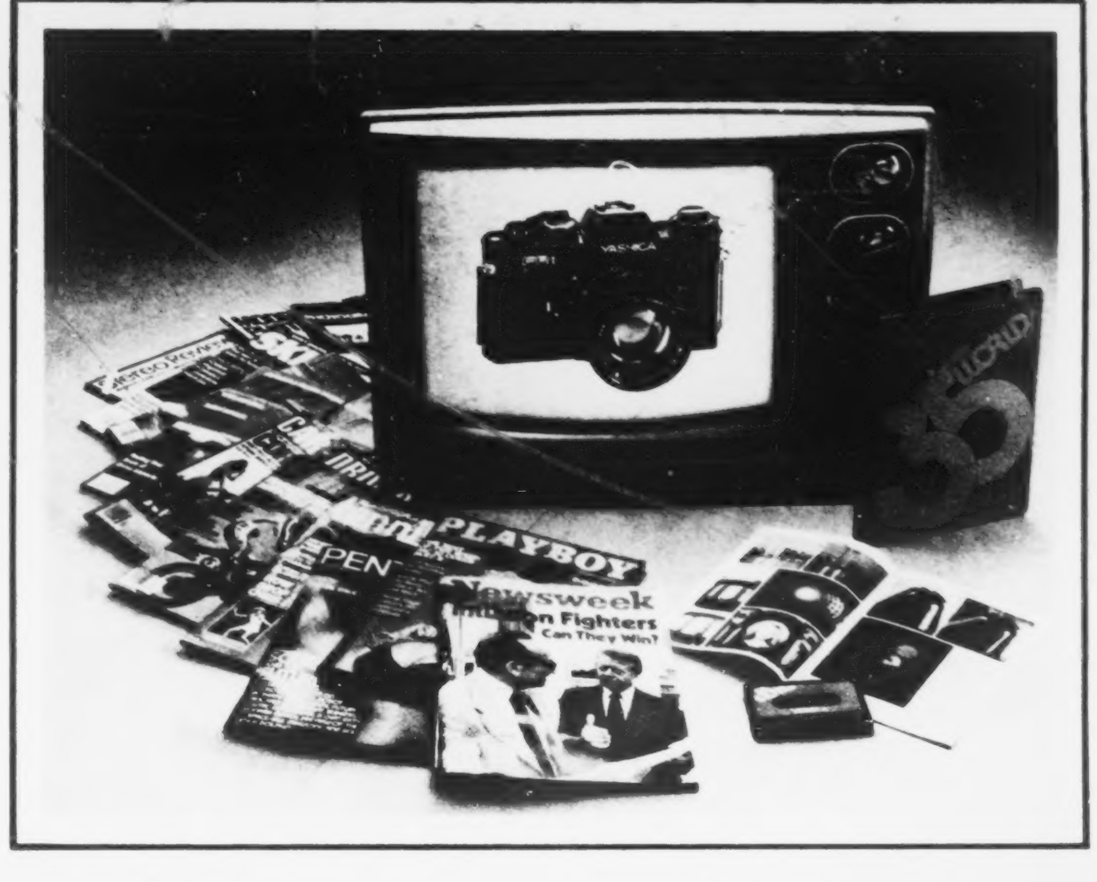


Yashica will be pre-selling millions of customers for you with the biggest advertising campaign ever...

This year we have planned the biggest advertising campaign in Yashica history. Our new campaign with the "Take It...Easy" theme will be telling millions of consumers how easy it is to take great photographs with a Yashica camera. Big, colorful full page and one-third page ads will appear in consumer magazines, hobby magazines and photo-fan magazines. Hard selling commercials will be seen and heard on TV and radio. All of this powerful "Take It...Easy" advertising will be pre-selling your customers on the outstanding quality, ease of operation, and unsurpassable value of Yashica cameras. With the Yashica name being widely advertised and promoted, your Yashica cameras will move faster than ever.

Take It...Easy with Yashica quality, value, ease of operation.

Our advertising will be featuring the Yashica FR* Series, the best buy in 35mm cameras on the market. They're compact, easy to operate and totally electronic. The top-of-the-line FR-I is fully automatic with manual override. The FR-II is simple and automatic. And the FR is fully manual. FR Series cameras feature a full information viewfinder, electro/magnetic shutter for smooth firing, and over 200 optional accessories including a 2½ fps autowinder and famous Carl Zeiss and Yashica lenses.

And more...

Yashica also features a complete line of popular cameras including 35mm Rangefinders: the Electro-35 GSN and the Electro-35 MG-1 Kit... electronic flash units... the world famous Yashica Mat 124-G twin lens reflex... Super 8 sound movie cameras... projectors...and more! With Yashica you can take it...easy.

By popular demand ...Yashica offers "35mm World" again.

With the purchase of an FR Series camera, Yashica offers a Free "35mm World" home photography course that includes a 90 minute cassette tape and full color illustrated guide. This limited time offer is available in Continental U.S. only.

"Take It...Easy" applies to Yashica service too!

When it comes to service, you can relax! You can depend on Yashica for fast delivery and reliable service. We deliver your order when you want it. Our five strategically located service stations throughout the country, assure you fast service anytime!

For more sales...stock, feature and promote quality, powerfully advertised Yashica cameras.

*FR is a licensed trademark of Cine Magnetics, Inc.

YASHICA
411 Sette Drive, Paramus, N.J. 07652

HOUSEWARES

GLASSWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	18	3-pc Bowl Set Crystal Blossom	2,214	6.29	13,926.06
2	16	Mug, Tweed	3,746	1.79	6,705.34
3	—	English Mug, Fun	3,528	1.79	6,315.12
4	—	12-oz Bev, Windsong Blue 8-pc	108	5.57	6,015.60
5	2	4-pc Mug set, gold trim	844	7.15	6,034.60
6	3	4-pc Mug set, green trim	770	7.15	5,505.50
7	1	Beverage jug, 2-liter	1,860	2.87	5,338.20
8	—	Mug Coach	2,925	1.79	5,235.75
9	6	12½-oz Bev, Wheat Spray, 8-pc	654	7.73	5,055.42
10	5	6½-oz. Wine Mr. Pro	870	4.76	4,141.20
11	43	9-oz Bev, Regency	8,850	0.44	3,894.00
12	11	8½-oz Wine, Mr. Pro	810	4.76	3,855.60
13	—	Salt & pepper set, gold trim	1,692	2.24	3,790.08
14	—	6½-oz Tall wine, Citation	744	4.94	3,675.36
15	15	12-oz Bev, Wheat, 4-pc	468	6.83	3,196.44
16	8	4" Gold ashtray	5,004	0.62	3,102.48
17	13	Ranson soup	3,096	0.98	3,034.08
18	12	6½-oz Wine, Tawny Accent, 4-pk	612	4.85	2,968.20
19	9	11-pc Table service set, prescut	304	9.71	2,951.84
20	—	Bud vase, milk white	3,924	0.71	2,786.04
21	36	12-oz Bev, Daisy Bouquet, 4-pk	816	3.41	2,782.56
22	28	Chip 'n Dip set, prescut	472	5.84	2,756.48
23	25	12-oz Bev, Gold Aster, 4-pk	936	2.87	2,686.32
24	—	12-oz Bev, Petite	4,284	0.62	2,656.08
25	—	12-oz Bev, Regency	5,004	0.53	2,652.12
26	14	16-oz Cooler, Tawny Accent 4-pk	846	3.05	2,580.30
27	—	9" Bud vase, Prescut	3,600	0.71	2,556.00
28	29	16-oz Cooler, Gold Aster 4-pk	762	3.32	2,529.84
29	24	12-oz Bev, Gold Country Garden	4,068	0.62	2,522.16
30	7	7-pc Table service set, prescut	324	7.73	2,504.52
31	23	Ranson St. Denis cup	3,924	0.62	2,432.88
32	—	11¼-oz Goblet, Tawny Accent, 4-pk	498	4.85	2,415.30
33	—	16-oz Cooler, Wicker, 4-pk	714	3.32	2,370.48
34	—	16-oz Cooler Blue Bolero	4,464	0.53	2,365.92
35	44	Snoopy Mugs	2,205	1.07	2,359.35
36	20	12-oz Bev, Tawny Accent, 4-pk	863	2.69	2,321.47
37	35	9-oz Rock, Tawny Accent, 4-pk	891	2.51	2,236.41
38	27	Ranson 9" plate	2,268	0.98	2,222.64
39	10	10½-oz Wine, Mr. Pro	462	4.76	2,199.12
40	—	16-oz Cooler, Gld Country Grdn	3,048	0.71	2,164.08
41	—	6-oz Juice, Daisy Bouquet, 4-pk	744	2.87	2,135.28
42	41	16-oz Cooler, Daisy Bouquet, 4-pk	510	4.13	2,106.30
43	—	12-oz Bev, Bolero Gold	4,716	0.44	2,075.04
44	—	12-oz Pilsner, Flair	3,096	0.67	2,074.32
45	48	12-oz Goblet, Mr. Pro	432	4.76	2,056.32
46	—	Butter dish, prescut	1,878	1.07	2,009.46
47	32	12-oz Bev, Blue Bounty, 4-pk	696	2.87	1,997.52
48	—	12-oz Bev, Wicker, 4-pk	678	2.87	1,945.86
49	—	Salt & pepper set, prescut	516	3.77	1,945.32
50	38	4-lb Apoth jar, Fountain Square	1,020	1.88	1,917.60

COOKWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	3-pc Saucepn st, glss/ceramic, bl	2,777	17.09	47,458.93
2	—	3-pc Mixing bowl set, glass	4,183	5.85	24,470.55
3	—	4-qt Bowl, glass, blue	3,552	4.13	14,669.76
4	8	3-qt Bake dish, w/basket	1,092	11.65	12,721.86
5	9	2-pc Dish set, glass ceramic	2,103	5.39	11,335.17
6	—	Microwave browning grill, glass/cer.	575	19.35	11,125.25
7	24	3-qt Oblong bake dish, glass, amber	2,281	4.49	10,241.69
8	44	3-pc Mix Bowl set, glass, green	1,244	8.05	10,014.20
9	2	3-pc saucepan/skil set, gl/cer, blue	607	16.19	9,827.33
10	12	6-cup Teapot, glass/ceramic, brown	732	13.05	9,552.60
11	18	3-qt Oblong bake dish, glass	2,330	4.04	9,413.20
12	36	3-pc Mix bowl set, gl, gold	1,156	8.05	9,305.80
13	15	2-qt Casserole, w/basket	782	11.65	9,110.30
14	27	3-pc Scpn/skil set, gl/cer, br	264	34.19	9,026.16
15	19	6-cup Teapot, gl/cer, floral	669	13.05	8,730.45
16	16	6-cup Teapot, gl/cer, br	693	11.65	8,073.45
17	13	3-pc Scpn/skil set, gl/cer, br	348	20.69	7,200.12
18	43	3-pc Mix bowl set, glass, brown	892	8.05	7,180.60
19	26	2-pc Bowl w/handle set, gl/cer	732	8.09	5,921.88
20	42	2-qt Oblong bake dish, glass	1,609	3.59	5,776.31
21	37	2-qt Casserole, glass, amber	1,116	4.94	5,513.04
22	30	3-pc Scpn/skil set, gl/cer, floral	161	34.19	5,504.59
23	38	3-qt Saucepan, gl/cer, brown	302	11.65	5,433.79
24	31	3-qt Saucepan, gl/cer, blue	372	14.35	5,338.20
25	39	2-qt Oblong bake dish, gl, amber	1,314	4.04	5,308.56

(Continued on page 17)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

'Golden Oldies' Tops; Only 4 New Items Hot

By Harold Rubin
President,
HalMar Distributors, Inc.

Only four items—an English mug in the Fun design; 16-oz. cooler in the Wicker pattern; 12-oz. pilsner in the Flair design, and an 18-in. brass towel bar—debuted on the housewares Product Movement Audit for the July 8-Aug. 2 period. Staple items that showed big jumps over their previous listings captured 48% of the 150 spots on the report.

Figures supplied by HalMar Distributors, Holyoke, Mass., cover 500 stores, including 400 full-line discount department stores from New England to the Carolinas. Average retail prices listed by the distributor reflect typical price points for discount clients.

The large number of basic housewares that registered big gains included two bud vases; three glassware coolers; a microwave browning grill; two custard cup sets; three glass pie

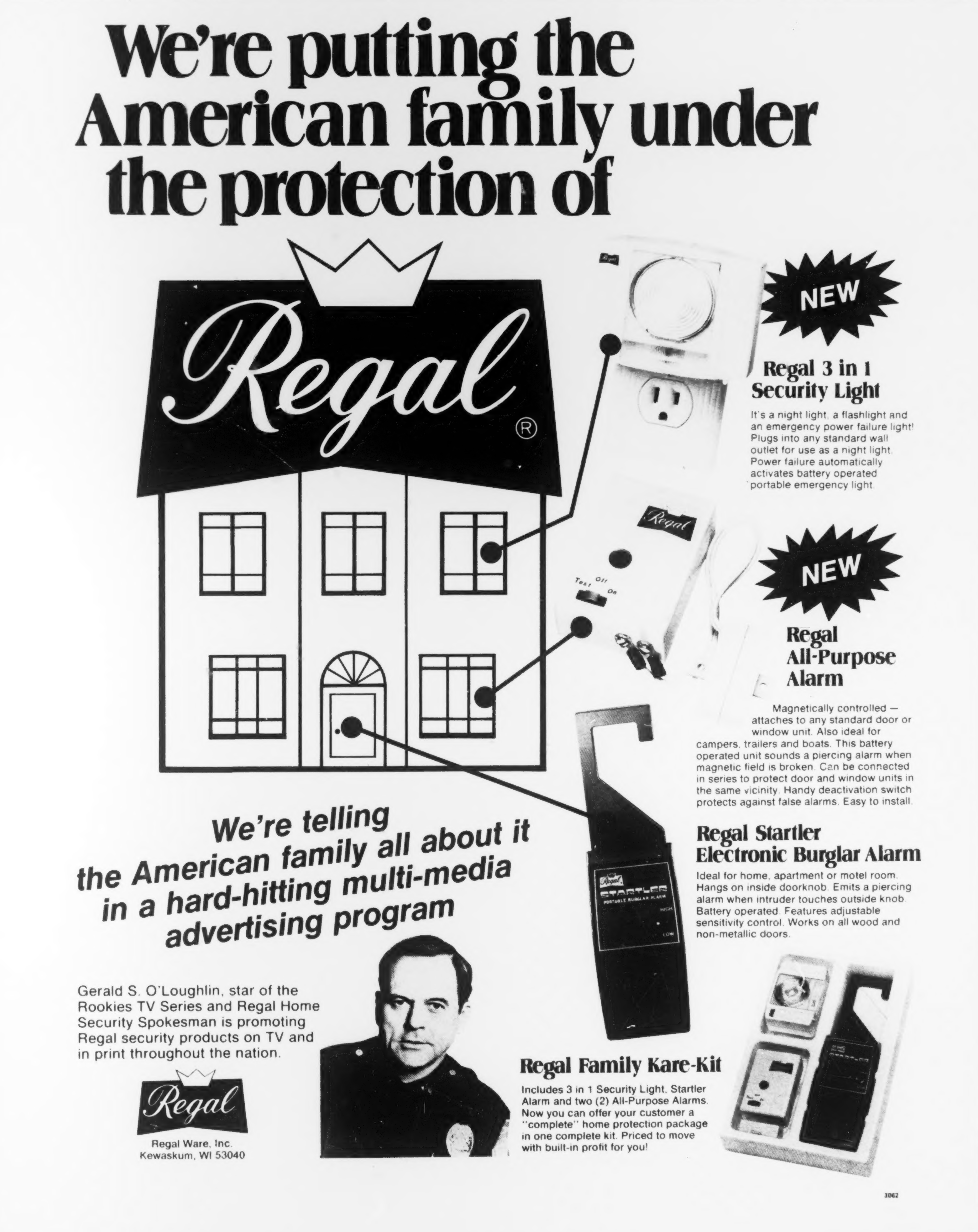
(Continued on page 17)

Housewares On the March

The following "High Risers" charts products (and their rank) that have moved up five or more places from the previously published HalMar Inc. PMA report. In addition, under the heading "New Items" are products (and their rank) that are appearing for the first time on the report.

Category/Item	$ Rank
HIGH RISERS	
GLASSWARE	
3-pc Bowl set, Crystl Blssm	1
Mug, Tweed	2
12-oz Bev, Wndsng Bl, 8-pc	4
9-oz Bev, Regency	11
Salt & pepper st, gld trm	13
6½-oz Tall wine, Citation	14
Bud vase, milk white	20
12-oz Bev, Daisy Bqt, 4-pk	21
Chip 'n Dip set, prescut	22
12-oz Bev, Petite	24
12-oz Bev, Regency	25
9" Bud vase, prescut	27
11¼-oz Goblet, Twn Accnt, 4-pk	32
16-oz Clr, Blue Bolero	34
Snoopy Mugs	35
16-oz Clr, Gld Cntry Grdn	40
6-oz Juice, Dsy Bqt, 4-pk	41
12-oz Bev, Gld Blro	43
Butter dish, prescut	46
12-oz Bev, Wicker, 4-pk	48
Salt & Pepper st, prsct	49
COOKWARE	
3-pc Mix bowl st, gls	2
4-qt Bowl, gls, bl	3

(Continued on page 17)



We're putting the American family under the protection of Regal®

Regal 3 in 1 Security Light

It's a night light, a flashlight and an emergency power failure light! Plugs into any standard wall outlet for use as a night light. Power failure automatically activates battery operated portable emergency light.

Regal All-Purpose Alarm

Magnetically controlled — attaches to any standard door or window unit. Also ideal for campers, trailers and boats. This battery operated unit sounds a piercing alarm when magnetic field is broken. Can be connected in series to protect door and window units in the same vicinity. Handy deactivation switch protects against false alarms. Easy to install.

Regal Startler Electronic Burglar Alarm

Ideal for home, apartment or motel room. Hangs on inside doorknob. Emits a piercing alarm when intruder touches outside knob. Battery operated. Features adjustable sensitivity control. Works on all wood and non-metallic doors.

We're telling the American family all about it in a hard-hitting multi-media advertising program

Gerald S. O'Loughlin, star of the Rookies TV Series and Regal Home Security Spokesman is promoting Regal security products on TV and in print throughout the nation.

Regal Family Kare-Kit

Includes 3 in 1 Security Light, Startler Alarm and two (2) All-Purpose Alarms. Now you can offer your customer a "complete" home protection package in one complete kit. Priced to move with built-in profit for you!

Regal

Regal Ware, Inc.
Kewaskum, WI 53040

3062

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

'Golden Oldies'

(Continued from page 14)

plates; a colander strainer; a basting spoon, and two bath shop plastic hook sets that hadn't been on the previous PMA report.

In fact, 51 items—one-third of the listings—were everyday products that hadn't scored high enough in the past survey to make the PMA. Twenty-one other items that made the previous report generated enough total dollar movement to move up at least five places on the current audit.

This ferment in basic housewares is indicative of what's happening in the category among discounters and other retailers as they focus their merchandising to offset a down economy.

Simply put, the emphasis is on staples and the strategy

(Continued on page 31)

Housewares On the March

(Continued from page 14)

Mcrwv brwn grl, gls/cr	6
3-qt Oblong bk dsh, gls, ambr	7
3-pc Mix bowl st, gls, gr	8
3-pc Mix bowl st, gls, gl	12
3-pc Scpn/skl st, gls/cer, br	14
3-pc Mix bowl st, gls, br	18
2-pc Bowl w/hndl st, gls/cer	19
2-qt Oblong bk dsh, gls	20
2-qt Casserole, gls, ambr	21
3-pc Scpn/skl st, gls/cer, flrl	22
3-qt Saucepan, gls/cer, br	23
3-qt Saucepan, gls/cer, bl	24
2-qt Oblong bk dsh, gls, ambr	25
4-pc Microwave st, gls/cer	26
6-oz Cstrd cp, gls, 4-pk	27
2½" dp Dispos alm fl rstr	28
6-oz Cstrd cp, gls, ambr, 4-pk	30
2-pc 2¾-cp Pan st, gls/cer, br	31
10" Fry pn, alum, nonstk	32
1½-qt Oblong bk dsh, gls	33
10" Skillet, gls/cer, br	34
8" Sq ck dsh, gls, ambr	36
9" Pie plt, gls	37
3-pc Bake st, gls, bl	38
2-qt Saucepan, gls/cer, br	39
9½" Pie plt, gls	40
Disp alum fl cake pn, 4-pk	41
3-pc Bk, srv st, gls, br	43
4-pc Bowl st, gls, gr	44
9½" Pie plt, gls, ambr	46
2½-qt Casserole, gls, gr	47

GADGETS

1-qt Liquid measure	4
Hnd cn opnr, w/cn prcr	9
Hnd cn opnr, pl hndl	10
Peeler	11
6" Ranglse reflector	12
Colander strainer	14
Hand can opnr	15
6" Rng rflctr, GE	17
5" Utility knife	19
8" Range rflctr	20
Sml trnr, bl hndl	22
Basting spoon	23
Sml nyln trnr	24
8" Range rflctr, GE	24

BATH SHOP

Twin hook, pl, 4-pk	6
Hooks, pl, 4-pk	12
18" Towl br st, chrm	16
Towel rng, pl	25

NEW ITEMS

GLASSWARE

English Mug, Fun	3
16-oz Clr, Wckr, 4-pk	33
12-oz Pilsner, Flr	44

BATH SHOP

18" Towel br, brass	22

HOUSEWARES

(Continued from page 14)

COOKWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
26	35	4-pc Microwave set, gl/cer	153	34.19	5,231.07
27	—	6-oz Custard cup, glass, 4-pk	2,082	2.51	5,225.82
28	—	2½" deep Dispos alum foil roaster	3,217	1.43	4,600.31
29	22	3-pc Scpn/skil set, gl/cer, floral	222	20.69	4,593.18
30	—	6-oz Custard cup, glass, amber, 4-pk	1,500	2.96	4,440.00
31	—	2-pc 2¾-cup Pan set, gl/cer, brown	432	9.85	4,255.20
32	41	10" Fry pan, aluminum, nonstick	311	13.49	4.195.39
33	—	1½-qt Oblong bake dish, glass	1,314	3.14	4,125.96
34	—	10" Skillet, gl/cer, brown	267	15.25	4,071.75
35	25	6-cup Teapot, glass	376	10.75	4,042.00
36	—	8" sq cake pan, glass, amber	1,122	3.59	4,027.98
37	—	9" Pie plate, glass	2,188	1.79	3,916.52
38	—	3-pc Bake set, glass, blue	360	10.75	3,870.00
39	—	2-qt Saucepan, gl/cer, brown	285	13.05	3,719.25
40	—	9½" Pie plate, glass	1,800	2.06	3,708.00
41	—	Disp alum foil cake pan, 4-pk	2,159	1.70	3,670.30
42	46	3-pc Bake, serve set, glass, gold	341	10.75	3,665.75
43	—	3-pc Bake, serve set, glass, brown	328	10.75	3,526.00
44	—	4-pc Bowl set, glass, green	302	11.65	3,518.30
45	48	3-pc Bake, serve set, gl, green	324	10.75	3,483.00
46	—	9½" Pie plate, glass, amber	1,434	2.42	3,470.28
47	—	2½-qt Casserole, gl, gr	768	4.49	3,448.32
48	—	3-pc Casserole set, glass, green	256	13.45	3,443.20
49	32	1" deep Tin cooky sheet, nonstick	1,274	2.69	3,427.06
50	—	1½-qt Loaf dish, glass, amber	1,310	2.60	3,406.00

GADGETS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	1-cup Liquid measure	4,615	1.51	7,430.15
2	1	1-pt Liquid measure	2,859	2.06	5,889.54
3	3	Hand can opener, gear drive	1,718	3.14	5,394.52
4	—	1-qt Liquid measure	1,509	2.69	4,059.21
5	8	3" Parer	3,453	1.16	4,005.48
6	5	Timer, white	685	5.66	3,877.10
7	9	Hand can opener w/bttl opener	4,525	0.80	3,620.00
8	—	Dispos alumin foil oven liner	2,011	1.70	3,418.70
9	19	Hand can opener w/can piercer	2,557	1.16	2,966.12
10	24	Hand can opener, plastic handle	1,571	1.79	2,812.09
11	21	Peeler	4,416	0.62	2,737.92
12	—	6" Range reflector	1,854	1.35	2,502.90
13	11	Boning brown knife, Collectable	389	6.25	2,431.25
14	—	Colander strainer	859	2.69	2,310.71
15	—	Hand can opener	775	2.96	2,294.00
16	15	Timer, gold	405	5.66	2,292.30
17	—	6" Range reflector, pan, GE	1,658	1.35	2,238.30
18	12	Food chopper	1,094	1.97	2,155.18
19	—	5" Utility knife	1,389	1.52	2,111.28
20	—	8" Range reflector	1,169	1.80	2,104.20
21	13	Rolling pin	649	2.96	1,921.04
22	—	Small turner, black handle	1,714	1.07	1,833.98
23	—	Basting spoon	1,659	1.07	1,775.13
24	—	Small nylon turner	1,361	1.34	1,763.44
25	—	8" Range reflector pan, GE	955	1.80	1,719.00

BATH SHOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Port shower spray	489	8.55	4,180.95
2	4	Toilet tissue holder, metal	1,663	1.79	2,976.77
3	3	18" Towel bar, metal	1,612	1.79	2,885.48
4	7	Toilet tissue holder, plastic	1,794	1.34	2,403.96
5	8	Toilet tissue holder, metal	1,405	1.61	2,262.05
6	—	Twin hook, plastic, 4-pack	2,033	1.07	2,175.31
7	2	Shampoo spray	1,124	1.88	2,113.12
8	6	12" Towel bar, metal	1,197	1.70	2,034.90
9	13	24" Towel bar, metal	930	2.15	1,999.50
10	10	18" Towel bar, plastic	1,123	1.61	1,808.03
11	12	24" Towel bar, plastic	958	1.79	1,714.82
12	—	Hooks, plastic, 4-pack	1,320	1.25	1,650.00
13	9	24" Twin towel bar, metal	592	2.78	1,645.76

(Continued on page 31)

CAM2
MILEAGE
MOTOR OIL
Saves money. Increases gasoline mileage by more efficiently reducing engine friction
10W40
SAE 3
A.T.F

YOUR CUSTOMERS WANT WHAT OUR NEW MOTOR OIL IS CALLED.

[illegible] CAM 2® Mileage will give them.

A national advertising introduction will break in October with the biggest network radio motor oil blitz in history.

To introduce you to the only oil called Mileage, CAM2 will give you a free case with every six you order.

[illegible] bring you [illegible] without asking you to sacrifice your margin.

CAM2 Mileage is backed by the best co-op/promotion program in the motor oil business. Take $1.25/case and use up to 100% on either advertising or your approved promotion.

Boost your motor oil margins with CAM2. It's the profit proven motor oil.

CAM2 Mileage is part of a complete line of CAM2 Motor Oils. The CAM2 line is made up of premium quality motor oils uniquely formulated to meet the needs of the do-it-yourselfer. CAM2 Motor Oils are products of Sunmark Industries, a division of Sun Oil Company of Pennsylvania, 215-972-2610.

CAM2®
PROFIT PROVEN MOTOR OIL

Stop by and visit us at our APAA Booth #645-649.

HOUSEWARES

(Continued from page 17)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
BATH SHOP					
14	14	Two hooks, plastic	2,583	0.62	1,601.46
15	18	Wall soap dish, plastic	1,373	1.16	1,592.68
16	24	18" Towel bar set, chrome	234	6.65	1,556.10
17	20	Towel ring, plastic	1,149	1.34	1,539.66
18	15	18" Twin towel bar, metal	606	2.51	1,521.06
19	19	Toothbrush/tumbler holder, plastic	1,260	1.16	1,461.60
20	11	Bath tub appliques	1,274	1.07	1,363.18
21	23	12" Towel bar, plastic	819	1.52	1,244.88
22	—	18" Towel bar, brass	156	7.91	1,233.96
23	21	24" Towel bar set, chrome	168	7.19	1,207.92
24	22	Toothbrush/tumbler holder, plastic	878	1.34	1,176.52
25	—	Towel ring, plastic	618	1.88	1,161.84

Source: HalMar Distributors

'Golden Oldies' Top Chart

(Continued from page 17)

seems to be paying off because that's what's selling.

The sales movement is evident from the PMA where basic nonelectric housewares accounted for almost all the listings and reports from the field that indicate that promotional housewares—which aren't tracked by the audit—aren't generating tonnage movement.

Consumers are watching their purchases closely and they seem to be willing to spend additional dollars for the value inherent in quality, stepped-up housewares that will last longer than the low-end, short-lived promotional goods.

In glassware, for example, no promotional sets made the report. The low-priced glassware that showed up were eight different bulk offerings that had individual pieces ranging from 44¢ to 67¢. At the same time, 21 different sets that had prices from $2.87 for a 4-pc., 6-oz. juice glass, Daisy Bouquet set (No. 41), to $7.73 for an 8-pc., 12½-oz., Wheat Spray beverage set (No. 9.), made the report.

Fifteen different cookware sets that had prices ranging from $5.39 for Corning Ware's Sidekick set (No. 5) to $34.19 for a Kitchen Starter set (No. 14) and for a 4-pc. microwave set (No. 26) made the listing. The trade-up bulk cookware included such items as a 10-in., nonstick, aluminum fry pan (No. 32) for $13.49, and a tin cooky sheet with a nonstick finish at $2.69 (No. 49).

The strong showing of sets in the glassware and cookware categories denotes the consumer demand for value and quality and shoppers' readiness to buy this merchandise.

This trend is more difficult to spot in gadgets and the bath shop because most products in these two areas are low in price. But, it's also evident in these categories.

The bath shop listing included two chrome-finish towel bars, an 18-in. size as No. 16 and a 24-in. size as No. 23. In addition, a brass 18-in. towel bar was a new item as No. 22 and carried a $7.91 tag, the same price as the 24-in. chrome towel bar.

The trade-up gadgets included a gear-drive hand can opener, No. 3, and a Collectable boning knife, No. 13.

Alexander's Acquires Margo's La Mode Chain

NEW YORK—Alexander's has completed its acquisition of Margo's La Mode, a 72-unit apparel specialty chain in the South and Southwest, for $9,454,246.

Margo's La Mode will be a wholly owned subsidiary of Alexander's Holding Corp., which is wholly owned by Alexander's.

In the fiscal year ended Dec. 31, 1978, Margo's La Mode had income of $791,000 on sales of $38,036,000.

The acquisition terms call for Margo's La Mode's stockholders to receive $10.30 for each share of common stock.

Of the three ways to purchase hardware: direct from a manufacturer, from a wholesaler, or from a servicing feeder-distributor—our contention is that the servicing feeder-distributor method offers the greatest return on investment.

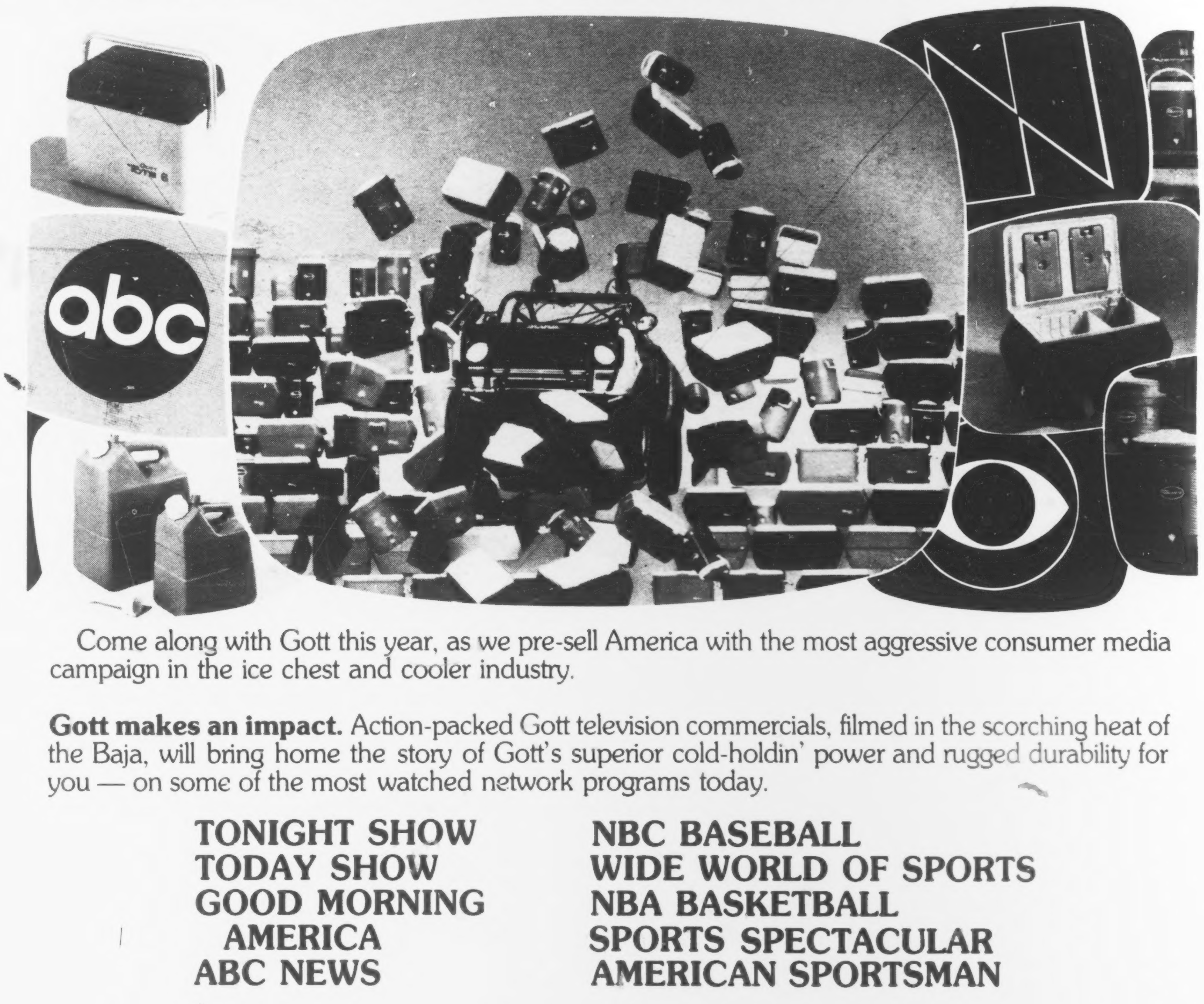
HARDWARE DISTRIBUTORS

Secaucus, New Jersey

Steven B. Hittner
President

Gott

Bursts into 42 million households.



Come along with Gott this year, as we pre-sell America with the most aggressive consumer media campaign in the ice chest and cooler industry.

Gott makes an impact. Action-packed Gott television commercials, filmed in the scorching heat of the Baja, will bring home the story of Gott's superior cold-holdin' power and rugged durability for you — on some of the most watched network programs today.

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Full-color Gott ads appearing in national magazines like **People, Better Homes and Gardens, Sport, Field & Stream, Southern Living** and **Popular Mechanics** will back you even further. All during your prime spring and summer selling seasons.

Gott merchandising turns prospects into purchasers.

Self-selling packaging. Shopper-stoppin' hang tags. And advertising support services. Together, they make sure your customers get the whole picture on Gott coolers and ice chests, and our *exclusive cost-saving Refreeze system.*

This year make an impact of your own, with Gott. The one that is beating the competition cold.

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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Volume Reflects Fall Seasonals, 4th-Qtr. Buildup

By STEVE HITTNER
President,
Hardware Distributors

The August movement figures reflect fall seasonality in hardware sales and the buildup to fourth-quarter stock positions, which seem to be holding their own, despite fears about the economy.

Retailers are cautious of overstocking, but overall volume in categories such as power tools is up significantly. Much of this may be attributed to the wariness of stock positions at retail, since customers are turning to distributors to fill in peak and valley differences.

Turning to some of the categories specifically, in hardware we see the effect of a rope program many of our customers have been running. Some stores have doubled rope space on the selling floor, and the volume difference for us has been tremendous.

Figures supplied by Hardware Distributors, Secaucus, N.J., cover 350 stores, including 141 discounters, in 20 states east of the Mississippi River. Suggested retail prices listed by the distributor reflect typical price points for discount clients.

Nails in bulk, which many of our customers have been using as low-ticket promotional items, slipped in volume off the hardware chart as the summer building boom slowed. They were replaced in volume primarily by fashion hardware fixtures, such as antique hinges. Several ceramic doorknobs did not show up on the chart, but were only slightly less in dollar volume.

The strong movement in fixtures indicates the hope at retail that gas prices and recession will keep consumers at home, and they traditionally spend some of that time making improvements around the house.

We see movement in basic hand tools holding steady without large volume increases; sets such as Stanley's six-piece screwdriver set and Great Neck's five-blade saw set have moved up in volume.

Arrow's staple gun/tacker, often ranked first in dollar volume because of its popularity as a promotional item at retail, has been knocked off the top of the chart, but is still solid in movement.

Just off the chart due to slightly less dollar volume in the hand tool category were woodchopping tools, an indication of the viability of energy-related items.

(Continued on page 23)

HARDWARE

HAND TOOLS

$ Rank	Item	Unit Movement	Suggested $ Retail	Total $ Movement
1	Petersen Vise-Grip wrench C10CR	631	7.49	4,726.19
2	Stanley 6-pc screwdriver set 62407	590	4.59	2,708.10
3	Petersen Vise-Grip wrench C5WR	471	5.59	2,632.89
4	Cooper 25-ft yellow Mezurlok Y25	210	11.99	2,517.90
5	Arrow staple gun tacker T50	127	18.49	2,348.23
6	USM PopRivetool kit K110	255	8.99	2,292.45
7	Great Neck Saw 5-blade set C55	220	8.99	1,977.80
8	Ames Half Hatchet Plumb 2962	124	14.99	1,858.76
9	Stanley Surform pocket plane 399	522	3.49	1,821.78
10	Channelock 9-in waterpump pliers 420G	234	7.49	1,752.66

HARDWARE

$ Rank	Item	Unit Movement	Suggested $ Retail	Total $ Movement
1	Amalgamated ¼ by 50-ft nylon rope NC6	648	4.99	3,233.52
2	Amalgamated 50-ft nylon braided rope NBH65	840	3.19	2,679.60
3	S-B Mfg Storm King door closer	440	5.59	2,459.60
4	Amalgamated ¼ by 100-ft poly rope PPC1	492	4.99	2,455.08
5	Allison ABS Bail Pull Ant Br	1,800	1.19	2,142.00
6	Allison hinge, ant brass FABS 784	1,800	0.99	1,782.00
7	Allison hinge, ant copper FACS 784	1,800	0.99	1,782.00
8	Allison hinge, ant copper, ACS 784	1.800	0.99	1,782.00
9	Allison ABS bail pull 574	1,800	0.99	1,782.00
10	Gemini mailbox post, deluxe black	137	12.99	1,779.63

POWER TOOLS

$ Rank	Item	Unit Movement	Suggested $ Retail	Total $ Movement
1	Black & Decker jig saw 7504	6,515	10.99	71,599.85
2	Black & Decker single Workmate 79-003	497	39.99	19,875.03
3	Black & Decker 5½-in saw 7300	796	23.99	19,096.04
4	Black & Decker finishing sander 7404	816	17.99	14,679.84
5	Black & Decker 2-speed jig saw 7530	528	17.99	9,498.72
6	Black & Decker ⅜-in drill VSR 7190	332	26.99	8,960.68
7	Black & Decker ⅜-in Value Plus drill	277	22.99	6,368.23
8	Black & Decker ⅜-in drill VSR 7127	302	18.99	5,734.98
9	Black & Decker ¼-in drill	274	10.99	3,011.26
10	Black & Decker ½-in drill	106	26.99	2,860.94

SECURITY HARDWARE

$ Rank	Item	Unit Movement	Suggested - $ Retail	Total $ Movement
1	Master Lock 1500D combination padlock	1,884	3.19	6,009.96
2	Weslock Sunray lockset, entrance	315	12.49	3,934.35
3	Weslock Elegant 1 lockset, entrance	300	12.99	3,897.00
4	Weslock Impresa lockset, entrance	278	12.99	3,611.22
5	Kwikset 400BDL entrance lockset	219	13.49	2,954.31
6	Yale LW5 entrance lockset	200	12.99	2,598.00
7	Master Lock 500D 1.75-in laminated padlock	912	2.39	2,179.68
8	Master Lock 22D 1.5-in laminated padlock	1,080	1.99	2,149.20
9	Parker Jimmyproof single deadlock	252	7.89	1,988.28
10	Master Lock 10D 11-in laminated padlock	1,270	1.49	1,892.30

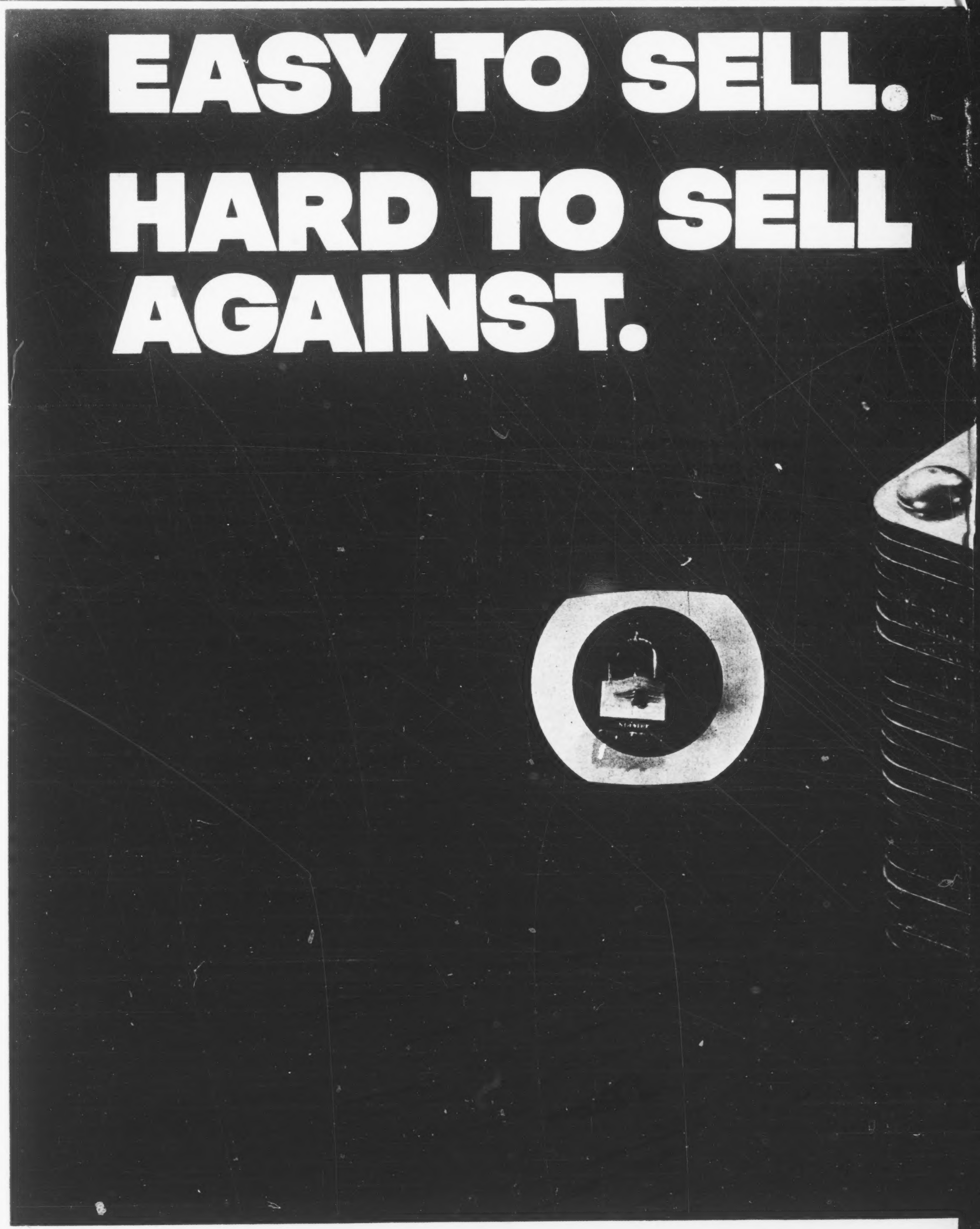
GLUES, LUBRICANTS AND ADHESIVES

$ Rank	Item	Unit Movement	Suggested - $ Retail	Total $ Movement
1	Woodhill Gluematic Pen GM1	1,128	3.79	4,275.12
2	Krazy Glue 2-gram G200BX	2,420	1.59	3,847.80
3	Eastman 910 adhesive	1,260	1.79	2,255.40
4	Super Glue Gripper	1,921	0.99	1,901.79
5	Woodhill Super Glue 3-gram	786	1.69	1,328.34
6	Miracle 401 6-oz acrylic caulk	709	1.79	1,269.11
7	GE 2561 tub seal	390	2.79	1,088.10
8	GE 2562 clear seal	371	2.79	1,035.09
9	Weldit 1½-oz cement	1,020	0.99	1,009.80
10	W D-40 9-oz can	349	2.39	834.11

SEASONAL

$ Rank	Item	Unit Movement	Suggested - $ Retail	Total $ Movement
1	Myro 2 x 10 yds duct cloth 651S	10,536	1.29	13,591.44
2	Wrap On auto heat tapes, 9-ft.	948	11.99	11,366.52
3	Wrap On 6-ft auto heat tapes	840	10.99	9,231.60
4	Thermwell 2 x 15-ft pipe insul FV15	3,000	2.59	7,770.00
5	Wrap On 3-in by 35-ft fiber insulation	2,880	2.59	7,459.20
6	Poly-Tech 10 x 25-ft window/door insul	1,416	4.99	7,065.84
7	Thermwell 3⁄16 by 10 sponge rubber	5,208	1.19	6,197.52
8	Wrap On 13-ft auto heat tapes	456	12.99	5,923.44
9	Thermwell 18 x 27 x 16 AC cover	2,064	2.79	5,758.56
10	Thermwell 20 x 28 x 30 AC cover	1,284	4.19	5,379.96

(Continued on page 23)



Volume Reflects Fall Seasonals, 4th-Qtr. Buildup

Discount Store News

PMA

PRODUCT MOVEMENT AUDIT

HARDWARE

(Continued from page 22)

$ Rank	Item	Unit Movement	Suggested $ Retail	Total $ Movement
PLUMBING				
1	Melard toilet tank repair 1600	289	7.99	2,309.11
2	Melard air deflector 2599	733	2.19	1,605.27
3	Reynolds wthr strip 36 x 84 2701	276	5.49	1,515.24
4	Melard 25-ft power rooter 1725P	73	19.99	1,459.27
5	Melard 6-in force cup 14206	913	1.59	1,451.67
6	Reynolds wthr strip 2-7 ft 2704	276	5.25	1,449.00
7	Reynolds door btm ¾ by 3 2720	144	8.89	1,280.16
8	Reynolds 6-ft hammered gold saddle 2519	276	4.45	1,228.20
9	Reynolds hammered gold nosing 2535	288	4.25	1,224.00
10	Reynolds adjustable threshold 2722	144	8.25	1,188.00
LAWN & GARDEN				
1	International Jobes houseplant 5001	10,344	0.99	10,240.56
2	Phillips hanging 8-in baskets ASB-8	468	1.99	931.32
3	Phillips contemporary 7½-in pots CS7	384	2.39	917.76
4	Phillips contemporary 13-in pots CS13	114	7.99	910.85
5	Phillips contemporary 11-in pots CS11	126	6.99	880.74
6	Plantabbs Flowerpot spike	840	0.99	831.60
7	Phillips 13-in pot w/saucer	126	5.99	754.74
8	Phillips contemp 6¾-in pot	384	1.79	687.36
9	Sterns 8-oz Miracle-Gro	528	1.29	681.12
10	Phillips 15-in pot w/saucer	84	7.99	671.16

Source: Hardware Distributors

(Continued from page 22)

In power tools, volume is up 100% over last year, although position on the chart is dependent on product availability as well as demand.

Black & Decker's basic jigsaw, single-height Workmate and 5½-in. circular saw lead all other products in power tools, despite the popularity of the basic promotional drills, the variable speed drills, the 7¼-in. circular saw and the table-top Workmate model.

We continue to move products quickly in the power tools, but the individual positions in volume fluctuate with the supply.

In security hardware, we have the shift back to entrance locksets after the back-to-school rush in padlocks. A Master padlock tops the chart in both unit movement and dollars, but the other padlocks have slackened and entrance locksets have picked up in the traditional seasonal swing.

Security hardware is doing well this season, up almost one-third over last year. We found our move to an abbreviated assortment in Yale, to include Weslock and Kwikset as complements, has worked out well.

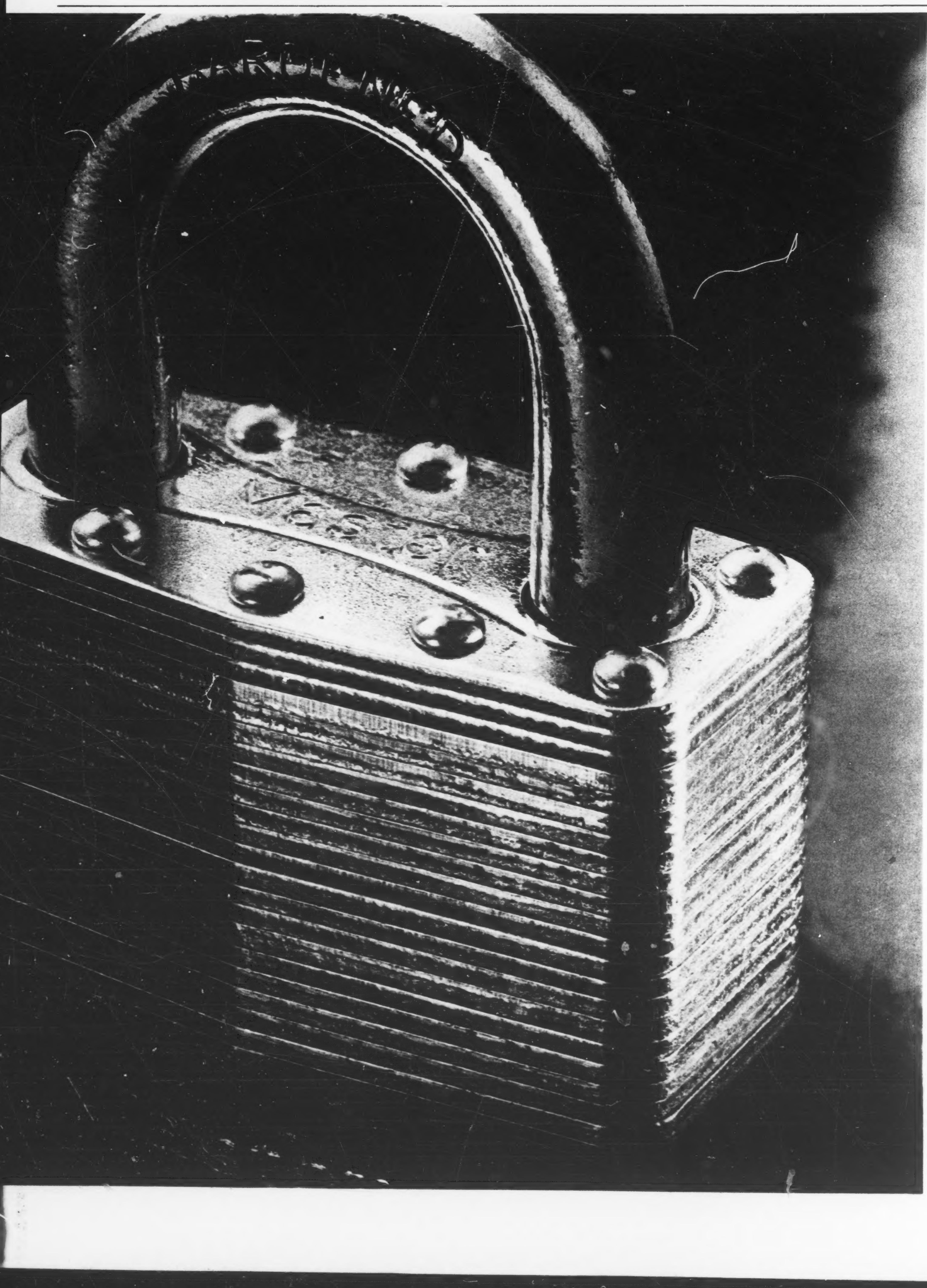
In the glues, lubricants and adhesives category, volume is up over the flat midsummer period with the traditional leaders repeating on the chart. These items do a tremendous unit movement for the mass merchants. Perhaps most interesting to note in this category is the top item, Woodhill's Gluematic Pen. This is a new product that has jumped right to the top of the chart in dollar movement, due to higher retails than other products in the category. (Krazy Glue is still the top item in unit movement.)

Energy Savers Heat Up

In seasonal items, we are seeing the fall buildup of door and window insulation, heating tapes and other insulation. With the skyrocketing price of heating oil and energy for the home in general, retailers are looking for a strong season here.

Storm window kits, felt and fiberglass insulation in several packaged forms were also just off the chart, with slightly less dollar volume. Fiberglass availability is not a problem, as it was in the past. We expected a very cautious ordering pattern in weatherstripping because there is still plenty around from last year, but we have been shipping the product out.

In lawn & garden, we've reached a stagnant period on garden hoses, trimmers and the outdoor product. However, we are pleased with the movement of indoor garden products as stores gear up for the winter plant season. We have been working to build our lawn & garden program, and basic movement for fall and winter centers on pots and plant food.



Nichols' Bids

(Continued from page 3)

Charleston, S.C., on which Nichols has bid.

Sixteen other Fields remain to be sold and the auction of these stores is expected to take place sometime in November. If bids on any of these units are received in time for the Oct. 11 auction, the stores will be included in that sale, a spokesman for the real estate companies handling the sale said.

Nichols at the July auction originally bid $200,000 for the Greenville store and $300,000 each for the two Charleston units. The discounter was the only bidder for these three Fields.

A representative of Stone East Associates, one of the two companies handling the sale of the Fields stores, objected to Nichols' bids, asserting that the price was too low.

Stone East's asking price was $500,000 for the Greenville store and $1,000,000 for each of the Charleston units.

Nichols then raised its bid for the Greenville store to $250,000 and made a bulk bid of $900,000 for the two in Charleston.

The Stone East representative again rejected the two bids and asked that the stores be removed from the auction. Bankruptcy Court Judge John Galgay turned down the request and said he would decide later if Nichols' bids were to be accepted.

Bid Accepted

In subsequent discussions, Nichols' $250,000 bid for the Greenville store was accepted as was a $575,000 offer for one Charleston unit.

If Nichols' bid for the remaining Charleston Fields is accepted, the discounter would remodel and open both stores simultaneously in 1980.

Nichols' remodeling of the Greenville store will follow the discounter's standard mix of departments.

The move into South Carolina put Nichols into its fourth southern state. The discounter already has stores in Virginia, West Virginia and North Carolina, including Gastonia and Lumberton, N.C., close to the state line with South Carolina.

Nichols' competition in Greenville, S.C., includes four Sky City stores, three units each operated by K mart and Big K, one Woolco and one Sam Solomon catalog showroom, while in Charleston there are eight Big K's, three K marts and two Sam Solomons.

8/20/80 C 5150-203

Lawn & Garden Section: Pp. 23-34

Discount Store News

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OCTOBER 22, 1979

Discounters Tighten Inventory In Face of Uncertain Economy

Nationwide DSN Report

Concern about an uncertain economy—reinforced by a soft second quarter at some chains—has led discounters to tighten inventory for the fourth quarter a couple of points under last year's levels.

The conservative planning could bring a problem if the quarter turns out strong. Manufacturers are themselves planning conservatively, not looking for every last sale, counting on some order cancellations and producing minimal goods. This will lead to a scramble for product if early signs point to a very strong Christmas season.

Spokesmen at Woolco, Korvettes, Zayre, Venture, Jamesway, Magic Mart and Fisher's Big Wheel said their chains were taking steps to run a leaner inventory for the second half of the year, although the range of action varies.

"I don't want to give the impression that we have made any major cuts in inventory and sales plan," said Zayre executive vp and gmm Malcolm Sherman, "because we have not. We are not planning for lesser sales results. We are accelerating stock turns slightly, however, and we have cut back slightly on high-ticket goods."

Korvettes plans to have $250 million in merchandise at retail for the fourth quarter, which is marginally up in volume but down in units from last year. Jamesway, with fall stock positions above last year's, hopes to clear out goods and be several million dollars below last year in inventory as much as 15% store-for-store by the end of December. Fisher's Big Wheel, which ordered the same percentage of goods for this fall as for last fall, also plans to tighten up inventory for the fourth quarter.

Several chains do not have large adjustments to make now because they had planned for a recession in earlier budgeting.

Woolco's position was outlined by F. W. Woolworth chairman Ed Gibbons in a talk before security analysts:

"In preparing our (U.S.) plans for the year, we budgeted a lower rate of sales growth in the second half compared to the first half, and our inventory and

(Continued on page 4)

DISC Contest Response Is Enthusiastic

NEW YORK—Discounters, proud of their community service achievements, have responded enthusiastically to the second annual competition for the *Discount Store News* DISC (Discounters In Service to the Community) awards.

Judging the entries this year will be a five-man panel composed of Stanley Berkovitz, assistant vice president of consumer affairs for Zayre; Jim Welty, vice president of operations at Fisher's Big Wheel; Lee Freedman, executive vice

(Continued on page 51)

17.99
Christmas Kits
CHRISTMAS LATCH HOOK KIT
Latch Hook Kit

Latch hook sets are among the best-selling soft craft items at discount stores—an assortment of Christmas kits is endcapped at Bradlees in Stratford, Conn. (DSN photo)

Stores Hook Onto Soft Craft Craze; Eye Enormous Profit Potential, Risks

Nationwide DSN Report

Discounters are capitalizing on the national enthusiasm for soft crafts such as latch hook, macrame and needlepoint—recognizing the enormous profit potential as well as the risk.

The soft craft kits, usually merchandised near domestics departments, appear to be experiencing more spectacular growth in discount stores than the steady models and hobby kits which are usually included in toy sections.

The craft and hobby market accounted for $2 billion in retail sales nationwide, and $1.3 billion in billings by manufacturers and importers in 1978, according to a study by the Hobby Industry of America.

Of the $1.3 billion, $437 million was in soft crafts, with needlework, macrame and yarn accounting for almost half of this business. Other major craft categories were number crafts and stencil art ($21 million) and poster art ($20 million).

Models, including plastic kits, model railroads, slot and slotless sets, remote control vehicles and dollhouses, accounted for $655 million in billings. So-called common categories such as tools, woods, paints and other supplies did $255 million.

Merchandisers say the soft crafts have had a sales spurt since August: "It's the same old

(Continued on page 4)

K mart Tests Adjacent Box Supermarket

TROY, Mich.—K mart will test a box supermarket next to its discount store in Pontiac, Mich. A company spokesman said the chain is leasing 10,000 sq. ft. in a closed supermarket adjacent to the discount store for the experiment.

No time limit has been set and the chain has no present plans to expand the test, the spokesman added. The store, which will open by early next month, will be limited to nonperishable goods in what has evolved to be the typical no-frills food store layout. It will include cut-carton displays and shoppers will bag their own purchases in boxes or bags which they provide themselves.

The experiment, which K mart vice chairman B. M. Fauber said the company undertook "out of curiosity," is considered to be a test of the traffic-drawing power of box stores. In years past, K mart policy had been to open discount stores adjacent to other chains' supermarkets so that each would benefit from the other's traffic. However, while the discount stores prospered, many of the supermarkets were unsuccessful. In this case, however, the food store will be operated by K mart.

In addition to the box store test, Fauber told stock analysts in Chicago, K mart is still giving a high priority to acquisitions in the "food-away-from-home" industry despite the rejection of its bid for Morrison Inc. K mart had offered $228.8 million in stock and cash to buy the cafeteria and food-service chain.

'79 Biz Seen Rising 20%

Jamesway to Slow to 5-6 Yearly Bows After Spree

HACKETTSTOWN, N.J.—Jamesway chairman Herbert Fisher told security analysts here the chain would slow down to five or six bows a year after opening 12 stores, including seven Westons units, this year, and three stores early next year—its biggest expansion drive.

Fisher said Jamesway should benefit from strong fourth-quarter sales from the seven Westons stores in New York and Pennsylvania which were acquired in August. Two of the seven have been converted, he said, while the remaining five kept their old logo.

"These stores don't yet have the merchandise to back up our circulars," he said. "We'll wait until the winter and then close them for remodeling."

Fisher said the new units should help boost Jamesway's 1979 volume by 20% to $245 million. The chain will be operating 60 units at the end of the year.

The Jamesway chairman said he planned to slow down to a pace of five or six openings a year after the current expansion is completed. He expects to "fill in" secondary markets in New York, New Jersey and Pennsylvania.

"A few years ago we thought we had saturated the three-state area; that's why we went to Ohio," he said. "But it took us a long time to get off the ground there. Meanwhile we discovered more locations available in our other markets." Fisher said the chain would continue to operate its three Ohio stores and single Virginia unit because they are profitable.

(Continued on page 50)

Discounting Week

GOING STRONG. Despite a softening sales pattern among other retailers, discounters again recorded strong growth in September. Wal-Mart led the way with a 36% increase over the previous September while Caldor recorded a healthy 22% boost. Dayton Hudson, to which Target is a major contributor, was up 11.8%. K mart rose 13.6% and Woolworth climbed 11.2%. Sears, Ward and Penney fared far less well for the month, with Sears up 2.4%, Penney up 2% and Ward up a miniscule 0.7%.

SUIT SETTLED. Basco and Jewelcor settled the suit that arose out of the failure of a merger agreement between the two catalogers. The settlement included Basco repaying Jewelcor $150,000 of a $500,000 loan advanced by Jewelcor, and Jewelcor retaining the 15,625 shares of Basco stock purchased for $250,000.

3D GROWTH. Completion of a 50% enlargement in size for the 3D store in Martinsville, Ind., and planned openings of units in Portland and Greenfield, Ind., for the chain have been announced by president Max Danner. The new units will bring the chain's store count to 27 units in three states.

RISING AT ROSE'S. Jim Dismore, who last year came to Rose's by way of Pamida and Wal-Mart, has been promoted from vice president for corporate development to senior vice president of merchandising and sales.

Discounters Up TV Use

Gemco and Korvettes increased TV advertising more than tenfold in key markets last year, indicative of the greater role TV is playing in discounters' planning.

TV advertising is increasing at a faster pace than ad expenditures in general, and outlays by the top 15 local TV advertisers in the discount industry were up over 60% from the previous year in their primary markets.

(The Broadcast Advertiser Reports, on which the chart in this issue is based, has changed its reporting techniques, however, and cautions that there may be resulting inaccuracies. Expenditures by Zodys, a division of Hartfield-Zodys, were actually up 10% in Los Angeles by their own figures, though BAR reports show a 7% decline.)

New York, Los Angeles and Atlanta are the biggest single markets for discounter ads, with three chains accounting for $7.5 million in TV ads in New York, three chains spending $3.1 million in Los Angeles.

The Major Factor

TV is an effective medium where sufficient store clustering and population centers fall under the media umbrella, and the increases show dramatic attempts to grab greater market share by Gemco in Los Angeles, Korvettes in Detroit and Two Guys in Philadelphia.

The national chains K mart and Woolco were not included in local BAR rankings, but both chains are able to take advantage of network advertising.

Network TV advertising reportedly increased more than

(Continued on page 5)

The Treasury, Cataloger Still Talk L.A. Deal

NEW YORK—The Treasury at presstime was continuing to negotiate with Service Merchandise about the cataloger leasing space in some of the discounter's units in California.

The negotiations are part of The Treasury's move to rent out excess footage in its 26 stores in Texas, Tennessee, Wisconsin and California in a continuing effort to become profitable.

The discounter has completed relocating its headquarters to Granada Hills, Calif., so that its executives and buyers will be right in the California market which accounts for 40% of the chain's sales.

Electronic terminals are being installed in all 34 of The Treasury units to enable merchandisers to obtain more accurate and faster sales information for spotting of trends and reordering of hot fashions. The installation should be completed early next year.

Trimming 50,000 sq. ft. to 60,000 sq. ft. from The Treasury stores—which range between 100,000 sq. ft. and 180,-

(Continued on page 51)

Open-look format of Service Merchandise, Woodbridge, N.J., allows shoppers to see through showroom to back. Left side includes jewelry and consumer electronics/photo sections. (DSN photo)

Service Merchandise, Bound for Fla., Opens Updated Open-Look Prototype

WOODBRIDGE, N.J.—Service Merchandise updated its open-look prototype as it unveiled its third unit in the Garden State here last month. The cataloger is preparing to invade Florida with four stores at presstime, using the same type of showroom setup.

The open-look profile is designed to enable customers to flow freely through the entire unit, shopping both the planogrammed self-service, mass-display areas and the traditional showroom sample departments. Most items can be payed for at the central checkouts.

The key layout features in Woodbridge include the horseshoe main aisle that gives facing to all the departments and the division of the unit into a traditional showroom area on the left and a self-service, mass-display section on the right.

The horseshoe aisle leads from the entrance on the left past the showroom section to the mass-display area on the right and through the central checkouts and pickup station before the exit.

This showroom arrangement will be used in Florida except that jewelry will be in the cen-

(Continued on page 42)

In Our Next Issue . . .

AUTO SHOW. DSN will preview the Automotive Parts and Accessory Association show in Chicago. Answers will be given to the question: How has the gas shortage affected automotive merchandising? DSN will also take an in-depth look at the automotive department of one of the leading discount store chains. Don't miss it—in our next issue.

DOMESTICS OUTLOOK. Will snug sack sales take off as the cold weather sets in? DSN looks at the novelties and the basics in a market outlook. Merchandisers discuss what's ahead for their bed and bath shops as well as what's new in curtains, drapes and other decorative items . . . as well as the latest trends in fixturing—in our next issue.

In This Issue...

GREENER GRASS. Lawn & garden buyers are looking to sell plenty of goods next season as gas prices help keep consumers at home. Bug lights hot? Lawn foods heavy? Mowers higher? Trimmer growth leveling? Grills a gas? Yes on all counts. (Pp. 23-34)

HOT OVENS. Discounters and catalog showrooms are divided over the merchandising of convection and electronic ovens. DSN's electric housewares market outlook notes that the catalogers are carrying both types while discounters are charting a conservative course in offering one or the other. (P. 17)

CO-OP LIABILITY. An appeals court has agreed with the FTC that retailers are liable for false claims made in advertising under a co-op program, even if the retailer had nothing to do with the creation of the ad. Also, K mart's ads make it the top spender among discounters, though expenses run only 2.3% of sales. (P. 37)

TIGHT SPENDING. H&BA buyers say price-conscious consumers are forcing them to promote at sharper prices more frequently. (P. 38)

WOMEN DETECTIVES. Bob Curtis notes that female detectives catch more shoplifters than their male counterparts. In his continuing series on increasing the productivity of store detectives, Curtis suggests the quality of cases reported or solved is more important than their number. (P. 40)

JEANS II. DSN's editor Stuart Horton rips Calvin Klein, Gloria Vanderbilt and Sasson for accusing Target of selling stolen jeans and sparking an F.B.I. investigation. The flap started when Target ran full-page newspaper ads in six markets advertising $35 designer originals at $19.99. Target said it bought the merchandise from a wholesaler. (P. 9)

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Spotlight on: Opening Hoopla

Mannequin Has Quickie Reign At Jefferson

FORT MYERS, Fla.—This seductive mannequin lured shoppers into the loungewear section of Jefferson's new store.

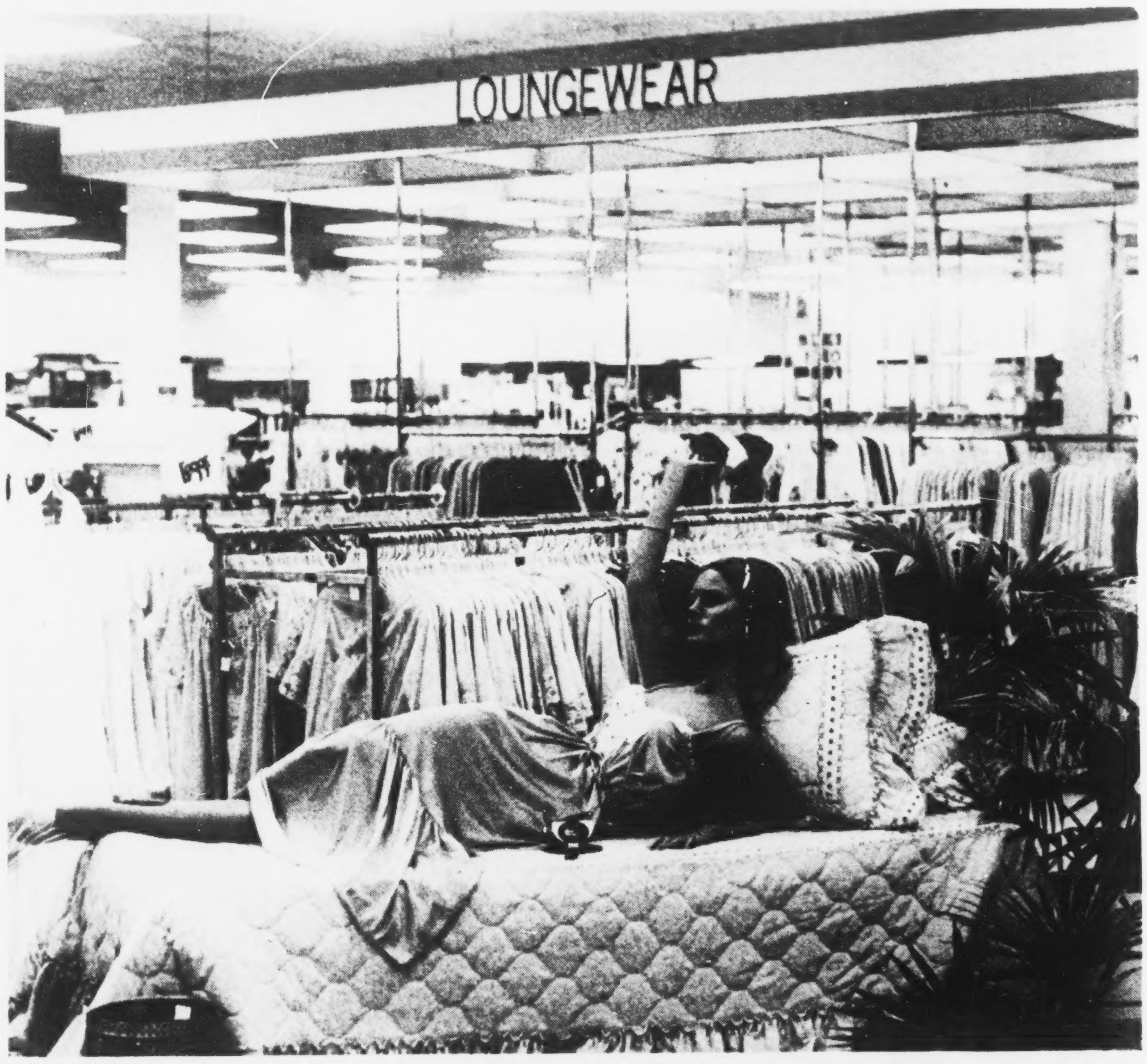
"It drew people into the department," noted store operations manager Dennis Drayton. "Normally they would just walk by."

But Drayton explained that the display, which was developed at headquarters for store openings and remodels, was meant to be temporary—it stayed in place about two-and-a-half weeks.

The setting was prime real estate off the main traffic aisle near ladies' sportswear and took up valuable selling space, Drayton noted.

"I can't say whether it improved sales," he added.

The mannequin lured shoppers into the higher-ticket robes and nightgowns—other lingerie is merchandised at the tail of the section.



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Vol. 18, No. 21 Oct. 22, 1979

NMRI Compiling Security Study

NEW YORK—The National Mass Retailing Institute (NMRI) is putting together a comprehensive study of security and shrink in retailing, to be published at the end of the year.

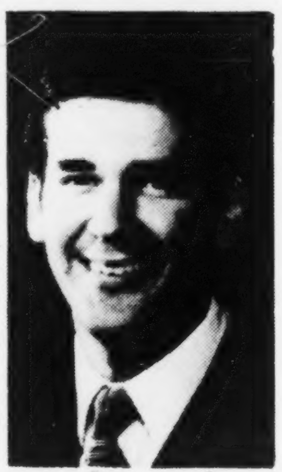
"Individual losses are often small, detection is difficult, and legal action is time-consuming and expensive," notes NMRI president Richard Hersh. "Preventive techniques can not be universally adopted, and many times, merchants find themselves on the defensive when they attempt to strictly enforce security measures."

The study is being conducted by Arthur Young & Co., and will focus on such areas as internal theft, background checks of new employees and the paperwork burden associated with security and shrink-reduction techniques.

The objective of the project is to identify what techniques are presently being used, determine their effectiveness, and summarize the costs to the retail industry, consumers and taxpayers.

The study began in July, and a December completion is anticipated.

Bluestein Is Elevated at Sam Solomon



CHARLESTON, S.C.—Steven Bluestein has been named executive vice president and chief operating officer of Sam Solomon.

He had been executive vice president of the cataloger since 1973. As chief operating officer he will oversee the company's financial, merchandising and operations vice presidents, controller and directors of data processing, management information and corporate services.

Melvin Solomon continues as president and board chairman.

Bluestein joined the cataloger in 1970 and has served as giftware buyer, assistant merchandise manager, director of research and development and secretary-treasurer before becoming executive vice president.

Muscular Dystrophy Drive Scores at King's

NEWTON, Mass.—King's 190 stores all participated in fund-raising activities to combat muscular dystrophy in a drive that ended last month.

The Massachusetts-based chain, a corporate sponsor for the Jerry Lewis Telethon, raised $233,546 in the drive, an increase of 45% from the previous year. Activities ranged from concerts to car washes.

Glosser

(Continued from page 3)

help assure a better price and might generate a little bit more interest in the stock."

Another analyst speculated that Glosser may have formulated the plan to shore up the price in anticipation of a new stock offering. However, Black said the company has no plans to issue new stock. Black also said that the repurchase plan was not considered a tender offer and was in no way part of a plan to "go private."

The genesis of the plan does hark back to when the company was privately owned—prior to 1971. Before offering shares to the public, Black said, when a member of the Glosser family or an heir wished to sell shares, the company would purchase them based on the proportionate share of the company's value at the time.

After going public, he added, the market price did not necessarily coincide with what company officials felt was the fair value of a stockholder's proportionate interest in the company—especially in October of last year when stock prices were severely depressed.

One important difference from the practice of the days of private ownership, Black noted, is that formerly the price—which was based on book value—that the company offered shareholders was the only offer that could be accepted. Now, shareholders have the option of selling in the open market for more, should that be at a higher price than the base at which Glosser is willing to buy back the stock.

Kopf said that while Glosser's plan may give its stock a slight competitive edge over that of other similar regional retailers, he does not anticipate it having any dramatic impact on the open market price.

"This will give an investor some protection against a silly market—he's protected against loss of capital—but the company still has a relatively low yield. It won't make it a glamour stock. Investment yields are still what will attract most stockholders."

Discounters Boost Use of TV

(Continued from page 2)

60% at K mart last year, and this year's campaign includes advertising on National Football League games, centering on K mart's auto departments.

Even chains such as Wal-Mart, without the advantage of centralized, urban markets, are using television where feasible. In Dallas-market advertising, Wal-Mart is using a "Wal-Mart the Inflation Stopper" theme. Whereas the bulk of discounters use TV for institutional advertising, Wal-Mart is tying the inflation-stopper theme to price/item advertising, such as a Mr. Coffee coffeemaker which sold last year at $27 now offered at $19.27.

Increased TV expenditures are also evidenced this year at chains such as Howard Bros. (up 50%), Heck's (up 30%) and T.G. & Y., which established an ad budget for broadcasting this year for the first time. T.G. & Y. uses TV in 35 markets now, primarily to support print circulars. The Midwest chain is using TV more due to substantial growth in its market areas.

Local TV advertising by discount stores is growing at a rate twice that of department stores, according to figures developed by the Television Bureau of Advertising. Discounters spent $74.1 million on local TV ads in 1978, up 26% from 1977 expenditures. Department stores, which increased local TV spending only 12%, still spend twice as much as discounters on local TV.

By categories of local TV advertisers, discount stores are the eighth largest category and department stores are second-largest.

In monthly breakdowns, discount stores give a slightly larger TV push in the fourth quarter than department stores do, spending 39.1% of their money then, compared to 32.1% for department stores.

Top 15 Discount Store Local TV Advertisers in a Single Market*

Chain/Market	1977	1978	% Change
1. Korvettes/New York	$2,711,600	$4,850,700	79
2. Two Guys/New York	1,960,500	1,858,400	(5)
3. Zodys/Los Angeles	1,572,700	1,460,100	(7)
4. Two Guys/Pniladelphia	646,400	1,319,000	104
5. Richway/Atlanta	1,056,300	1,214,700	15
6. Korvettes/Atlanta	NA	912,700	NA
7. Korvettes/Washington	NA	884,200	NA
8. Gemco/Los Angeles	43,200	880,400	1,938
9. Venture/Chicago	766,000	856,600	12
10. Fred Meyer/Portland, Ore.	740,800	839,100	13
11. Times Square/New York	514,400	773,500	50
12. FedMart/Los Angeles	NA	769,900	NA
13. Jefferson/Miami	665,900	753,600	13
14. Korvettes/Detroit	23,700	716,300	2,922
15. FedMart/San Diego	577,300	708,000	23

* National chains K mart and Woolco not included.
( ) Denotes decrease. NA—Not available.
Source: Television Bureau of Advertising, based on Broadcast Advertisers Reports (BAR).

Jamesway Names Irish VP Sales

SECAUCUS, N.J.—George Irish, Jamesway's vice president of sales promotion, was elected by the chain's directors to be the new vice president of sales.

He will continue as president of the chain's subsidiary, J.M.Y. Portraits Inc., based in Charlotte, N.C.

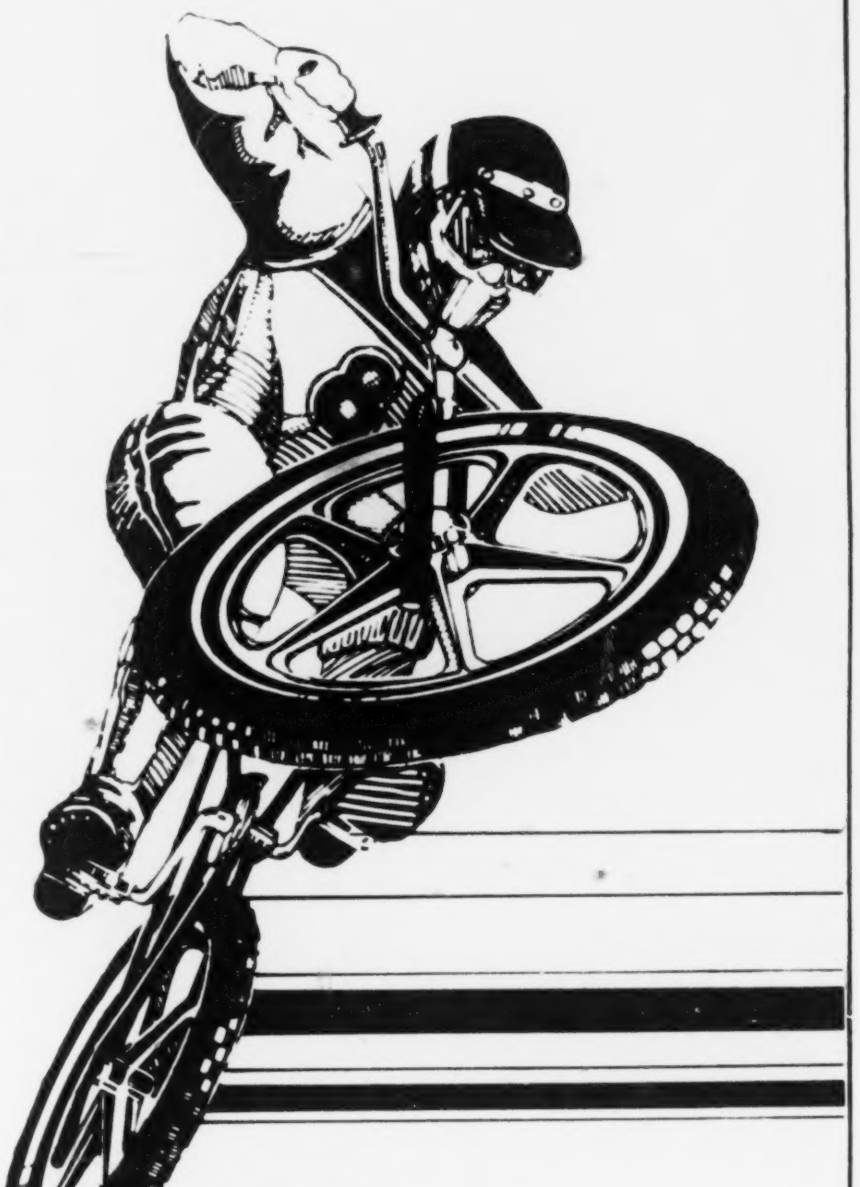
DISPOSABLE PREDICTION #1:

Merchandisers predict disposable shavers will be the fastest growing men's grooming aid during the 1980s.*

*Source: Progressive Grocer Survey of HaBA Merchandisers and Buyers, August 1979.

SHOULDN'T YOU REPLACE THE BLADES THAT AREN'T SELLING WITH THE SHAVER THAT IS.

BIC shaver



Why is Cycle Products the Big Wheel in Bicycle Accessories?

We re not just spinning our wheels when we say Cycle Products BMX accessory line is the most exciting in the industry Take our new DuPont Zytel Nylon mag wheels

Specially designed for high performance and toughness these new mag wheels will add color and excitement to every BMX bicycle Available in the latest and flashiest colors Cycle Products nylon mag wheels are sure to have your customers rolling into your store

Trail Blazer is Cycle Products line of BMX accessories Watch for the bulls-eye Trail Blazer packages they're the high volume accessories that are the fastest selling and hottest items on your shelves They are all designed to make you the big wheel in bicycle accessories

So don't spin your wheels! Write or call Cycle Products for more information on the exciting Trail Blazer line of BMX accessories as well as the most complete line of bike accessories in the industry

Cycle Products Company
Dept. T 77 Modular Avenue
Commack, NY 11725
Phone: (516) 864-2555

bike extras

APAA Show Section: Pp. 13-32

Discount Store News

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NOVEMBER 5, 1979

Small-Chain Biz Slice Dips in Cost Crunch

Nationwide DSN Report

Small discount department store chains have been raising gross margins to offset rising expenses, and as a result are losing ground in the battle for market share.

According to the 1979-80 National Mass Retailing Institute/Cornell University study, "Operating Results of Self-service Discount Department Stores," small chains (defined as those with annual sales under $100 million) increased their gross margins by 2.34 percentage points (to an average of 29.6% of sales), while total expenses rose 2.48 points (9.3%), to 26.68% of sales. At the same time, the average number of transactions rose only 7.3%, to 2,820,172 a year.

The gross margin and expense increases were the highest reported by any group in the study, and the increase in the number of transactions was the lowest.

While the average dollar value of each transaction for the small chains showed the greatest increase (14%) and the highest total ($11), the small chains are lagging behind larger chains, where substantial gains in customer counts *and* transaction values were recorded.

Total expenses for all chains responding to the study rose 0.60 percentage points (2.4%), from 24.21% of sales to 24.81% of sales.

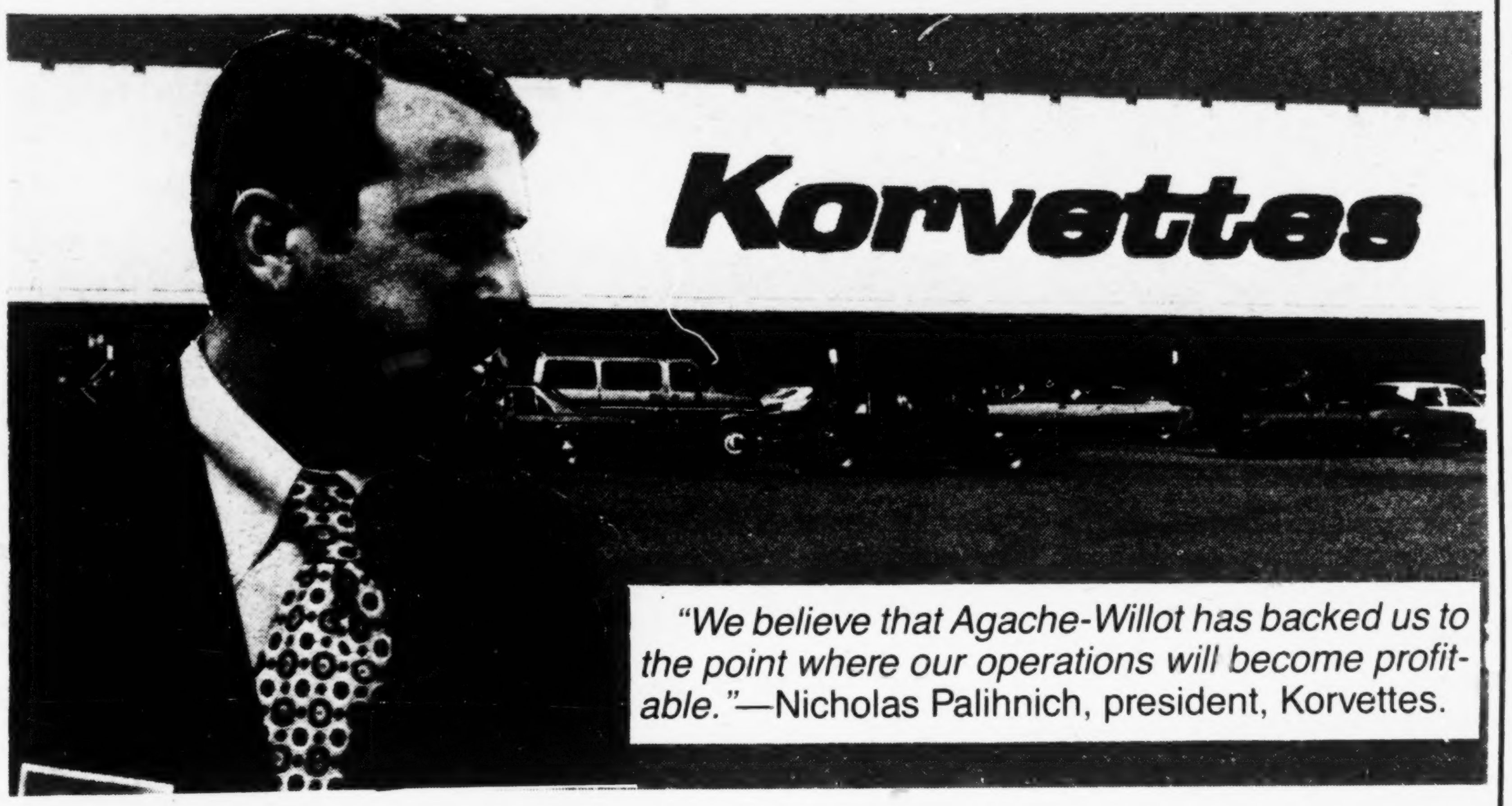
Larger chains did the best job of expense control. Chains with sales over $260 million reported total expenses rising 0.60 percentage points, from 24.41% to 25.01% of sales, and chains with annual sales between $100 million and $260 million had an increase of 0.33 percentage points, from 23.86% to 24.19% of sales.

Of 31 firms which participated in both the 1978 and 1979 studies, total expenses rose 0.20 percentage points (less than 1%) from 24.58% to 24.78% of sales.

Of the identical firms report-

(Continued on page 6)

It's 11th Hour For Korvettes



"We believe that Agache-Willot has backed us to the point where our operations will become profitable."—Nicholas Palihnich, president, Korvettes.

NEW YORK—Time is running out for Korvettes.

As the troubled chain enters the crucial holiday sales period, industry observers are wondering why the new French management does not make its move.

Extensive cost-cutting measures and strict controls have been put in place by chairman Alain Mathieu, but few merchandising or marketing changes have been seen.

Korvettes' lack of clear positioning in its markets, the poor in-stock condition in hard lines, and the lack of specific merchandising or marketing steps to effect the turnaround have many retailers wondering about the effectiveness of the new management's policies.

President Nicholas Palihnich insists that the $19 million in cost cuts, financial support from parent Agache-Willot and slight merchandising efforts will make the chain profitable next year.

The merchandising effort focuses on positioning Korvettes between a discounter and a conventional department store. "We're a fashion store, not a discounter," one source said, "and the idea is to keep to the middle position under a Sears or Penney but over a K mart."

Fashion, albeit without an extensive array of name brands, will remain the hallmark of apparel. Markups will be reduced, however, and lower price points will be featured to attract a broader base of customers.

Hard lines, once Korvettes' strength, will be relied on only for traffic, with sharper prices hit in promotions to draw shoppers.

Another source summed it up by saying: "Apparel margins will move down to 45%-46%

(Continued on page 54)

What's Behind K mart's Test Of U-Pak Box Food Store?

PONTIAC, Mich.—K mart's new U-Pak box store here may be the harbinger of a major new retailing effort by the nation's second largest merchant, and the key to maintaining K mart's high growth rate.

The single-store food test is a low-risk experiment in external growth which may produce multiple benefits for K mart. Should the U-Pak venture succeed, it would draw additional traffic to the chain's discount stores, and could evolve into a self-sufficient profit center.

This view was shared by security analysts who also noted that should the experiment fail, K mart will have lost little. (The discount giant remained mum on the subject.)

"Look " said one, "they had a food store available so they're giving it a shot. It's an experiment with a new concept and I don't think they know what to expect from it."

Fred Kopf of Dean Witter Reynolds said that the chain has many sites available that had been leased to supermarket operators, such as the 10,000-sq.-ft. U-Pak here. K mart's actual out-of-pocket investment in the limited-assortment box store will be very little, he said.

K mart has also said the U-Pak store is a test, but would not disclose the duration. The company added that the Pontiac unit will be the only one opened until the results are evaluated.

"I expect them to take their time with this," Kopf said. "Potentially, this is a pretty big deal. They haven't got the ex-

(Continued on page 4)

Discounting Week

NEW BIG K EXECS. John Watkins, senior vp of Gold Circle, has joined Kuhn's Big K as vp and general merchandise manager, a new post. Big K has also named Glynn Coryell as vp and chief financial officer.

REVERSAL. The Loews Corp., in an apparent change of heart, is reported to have sold much of its holdings in Woolworth in a profit-taking move. Loews said last June that it intended raising its holdings from 2% to 15% of Woolworth's common stock, which many analysts thought was the preliminary to a takeover attempt.

LANECO AGREEMENT. Oppenheimer & Co., a New York investment firm, and several individuals will acquire Laneco for $13 a share. An Oppenheimer offer of $10 a share was rejected earlier this year.

LURIA OPENINGS. L. Luria & Son jumped out of its home Miami market at presstime by opening three 54,000-sq.-ft. showrooms in central Florida in the Orlando suburbs of Casselberry, Altamonte Springs and Silver Pines.

THE SHOE FITS. K mart will take over from SCOA the operation of all shoe departments in the discounter's Canadian subsidiary if an agreement in principle is ratified. The proposal between the two companies calls for K mart to pay an undisclosed sum to acquire 187 Canadian retail shoe outlets, including 109 in K mart stores as well as leased departments in department stores and freestanding units.

Future Up in Air as Prices Soar

Jewelry Sales Glitter in '79 Gold Rush

Nationwide DSN Report

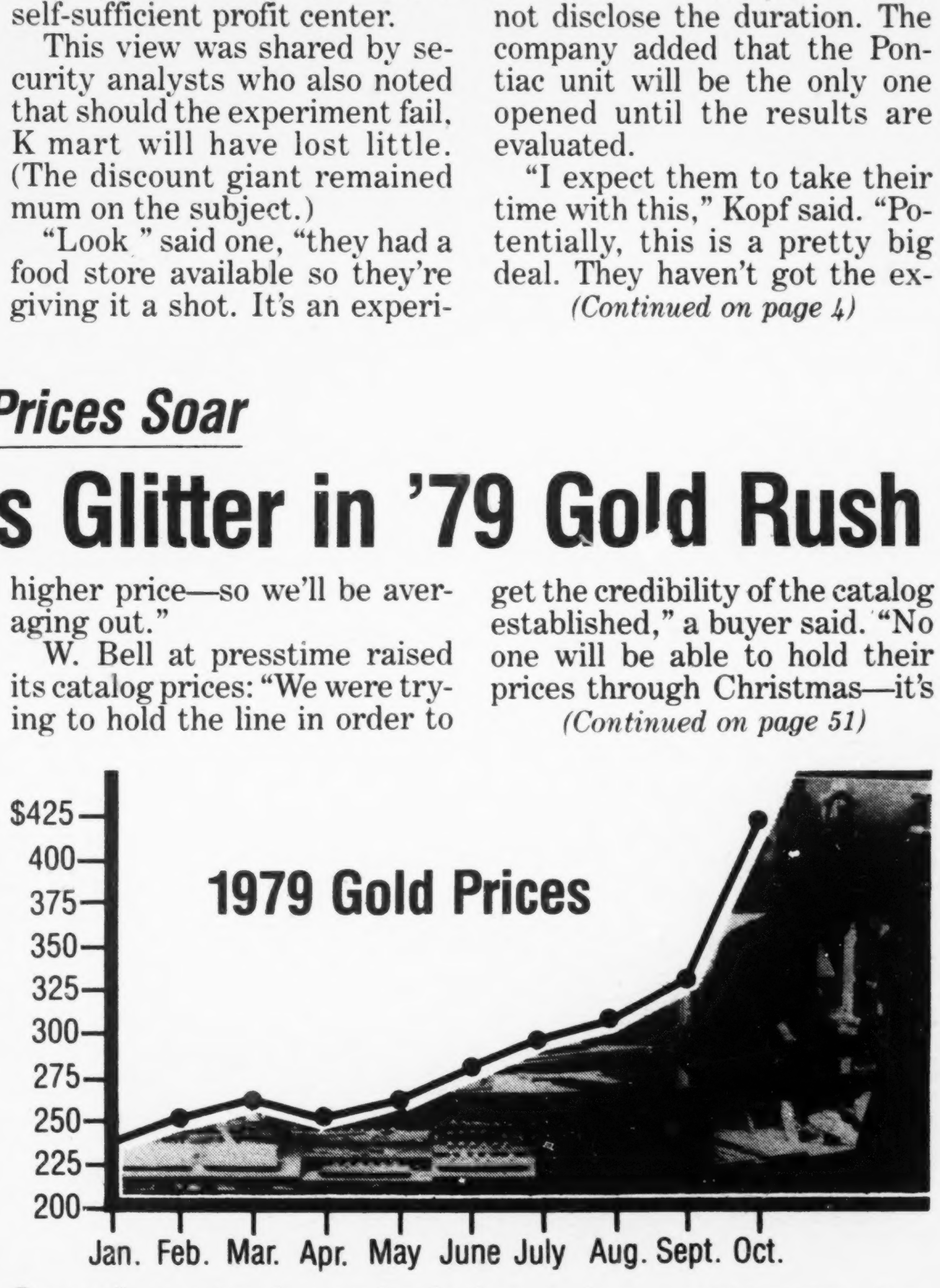
Discounters and catalogers are wary of the gold rush of '79—enjoying the strong demand for fine jewelry but wondering if consumers will be turned off by rocketing prices.

Some discounters have raised prices on heavier gold pieces by as much as 30% since the commodity soared to $400 per ounce. The rising prices put pressure on catalog showrooms that published their annual books just before the gold market took off.

"We'll try to maintain our catalog prices until Nov. 1," said Steve Bluestein, exec vp and coo of Sam Solomon, at presstime. "We're in good shape because we bought our current stock in April and May at $240 per ounce. But what we sell we have to replace at a much higher price—so we'll be averaging out."

W. Bell at presstime raised its catalog prices: "We were trying to hold the line in order to get the credibility of the catalog established," a buyer said. "No one will be able to hold their prices through Christmas—it's

(Continued on page 51)



Some discounters have raised prices on heavy gold jewelry—less labor-intensive than lightweight items—as much as 30% since the world gold price started to soar. (DSN photo)

TSS Tests Hard Goods in an L.I. Martin's

NEW YORK—Times Square Stores is adding hard lines muscle to its recently acquired Martin's apparel store in the Smithhaven Mall on suburban Long Island.

The move marks an experiment in full-line merchandising for the fashion apparel specialty chain, and the entry of Brooklyn-based Times Square Stores into the mall, which is anchored by Sears, Macy's and A&S.

A 3,600-sq.-ft. housewares section and a smaller consumer electronics/major appliance section has been opened on the main floor of the store.

The upper floor has been closed off and TSS is due to put in its other owned departments: toys, sporting goods, automotive accessories and hardware.

None of its leased sections, which include domestics, records, health and beauty aids, stationery and cameras, are being included at the present time.

TSS has added its name to the logo on the front of the store and is playing up the new departments on window signs.

TSS acquired the Martin's chain earlier this year as its entry into fashion apparel merchandising. It has started to feed this merchandising

(Continued on page 49)

This 3,000-sq.-ft. housewares/home decor department at TSS/Martin's at the Smithhaven Mall, Lake Grove, N.Y., opens off the main mall entranceway. (DSN photo)

Alexander's Slates Two N.Y.C. Stores; Eyes Fortunoff to Co-Anchor N.J. Site

NEW YORK—Alexander's is negotiating to open new stores in Manhattan and Queens by next fall. It also expects its Paramus, N.J., store site to become a shopping center by that time, with Fortunoff as the other major retailer.

The expansion is expected to boost Alexander's sales without increasing advertising costs and help even out its up-and-down flow of profits.

The discounter at presstime reported that in the fiscal year ended July 28, profits dropped 1.5% to $4,136,000 from $4,197,000 while sales for the same 15-unit base went up 5% to $454,055,000 from $432,618,000.

The drop in earnings reflected a $47,000 loss generated in its fourth quarter compared with a $740,000 profit in the same period last year. Sales for the quarter dropped 2.7% to $96,659,000 from $99,382,000.

Alexander's figures don't include results from the Margo's La Mode specialty store chain acquired on July 26.

(An executive asserted that Margo's operations are being kept separate from Alexander's and there aren't any plans to do cross-buying or merchandising.)

"We're not going to do anything that injures Margo's status as a fashion apparel chain," he said. "Margo's was acquired because specialty apparel is a growing field and we saw an opportunity to enter that area with Margo's."

Alexander's fourth-quarter sales decline and loss were at-

(Continued on page 50)

Passage Doubtful, Interest Remains In Retail Antitrust, Polygraph Bills

WASHINGTON—A bill that could extend antitrust suits to mass merchants, and another that would restrict the use of polygraphs appear unlikely to pass this Congress—but the issues may be alive next year.

The Illinois Brick antitrust legislation (S. 300), which would repeal a 1977 Supreme Court decision that allows antitrust suits only from direct claimants and excludes indirect purchasers, did not have the necessary votes for passage at *DSN* presstime.

This bill, "which would allow any customer who feels she had been mistreated by a store, to sue for antitrust violations," in the words of S. E. Nichols president Manfred Brecker, was lobbied against heavily by mass merchants and by industry associations.

Other legislation, proposed to restrict use of polygraphs (S. 854 in the Senate and H. R. 3255 in the House of Representatives), was considered a dead issue earlier in the year but recent developments indicate a growing interest.

First, the House Judiciary Subcommittee on Civil and Constitutional Rights is drawing up its own polygraph bill, which will reportedly be even broader than current proposals.

In a second development, the House Education and Labor Committee's Subcommittee on Labor-Management Relations recently held hearings on workers' rights, including the use of polygraph, privacy issues and

(Continued on page 49)

In Our Next Issue . . .

PLANE FACTS. Hardware buying patterns for the next few months will be the subject of a DSN market outlook, as buyers try to nail down some of the major trends in the field—in our next issue.

OF CONSUMING INTEREST. DSN will give special coverage to consumables. See if your customers are gobbling up consumables such as carbonated and noncarbonated beverages, snack items and paper goods. DSN reports on industry trends—in our next issue.

APAA SHOW. See how much mileage will be added to next year's product mix as DSN's auto staff reports from the exhibit on buyer reaction and new developments at the annual auto show in Chicago—in our next issue.

HOUSEWARES MOVE. DSN's Product Movement Audit will highlight the top items through actual distributor figures—in our next issue.

Spotlight on: Segmenting Departments

Dividers Create Apparel Drama

KINGSTON, Mass.—Plexiglas and chrome dividers, used extensively here and at Bradlees' other new prototype stores, segment apparel departments and create drama.

The partitions section off juniors, ready-to-wear, coats and plus sizes.

The segmentation is a key element in Bradlees' attempt to capture a loyal apparel customer.

"The plus size customer, for example, shops us frequently," explained soft lines general merchandise manager Harry Kohn. "We've created a separate home for her—she doesn't wade through sizes she knows she can't wear."

15.99
AS ADVERTISED
20%OFF
2 pc. skirt suits

In This Issue...

FULL SPEED AHEAD. For the APAA show, DSN's special section examines what was significant in automotive this year and finds what concerns buyers preparing for 1980. Changing market forces are putting more pressure then ever on buyers, and DSN's comprehensive coverage focuses on those issues. (Pp. 13-32)

BIG PUSH. Catalog showrooms last year ran far ahead of 1977 in advertising linage. In 1978, 51% of all catalog showroom advertising was done in the final quarter, a much greater concentration of effort than is done by discounters. (P. 8)

BREAKTHROUGHS. Many of the top performers in the current housewares PMA are new products. A total of 18 new items were among the nonelectric leaders during the Aug. 1 to Sept. 28 period covered. Match your performance with these comprehensive industry figures. (P. 38)

WARM-UP. Energy conservation has hit the domestics category as discount chains report that consumers are buying thicker and insulated drapes as well as reviving interest in blankets and comforters. One very popular new novelty is the snug sack; one chain sold 6,000 units in a single month. (P. 40)

SEE THE SITES. The Discounter Management Development Series puts the spotlight in this issue on site selection, the foundation upon which future success or failure often rests. Many factors should be considered before building a new store or agreeing to lease a building. How to approach this important area and what elements should be part of the decision-making process are fully explained by Touche Ross' Leslie Chick. (P. 46)

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Small-Chain Sales Slice Dips in Cost Crunch

(Continued from page 1)

ing, those with sales under $200 million reported increased total expenses, and declines in both net operating profit and net earnings. Chains with sales higher than $200 million had a slight decline in total expenses, and gains in both net operating profit and net earnings.

As competition for the steadily declining pool of disposable consumer dollars heats up, the need to lower the relatively high gross margins maintained by smaller chains will further erode earnings and profits, unless stringent cost-cutting reverses the acceleration of total expenses.

The number of transactions by the biggest chains, with sales of more than $260 million, rose 9.3% on the average, from 43,447,067 to 47,947,721. The number of transactions for middle-size chains, with sales of more than $100 million but less than $260 million, rose 10.2%, from 17,768,263 to 19,788,501.

The complete NMRI/Cornell study is available from the National Mass Retailing Institute, 570 Seventh Avenue, New York, N.Y. 10018. The cost is $30 to NMRI members, $40 for nonmembers, and $23 for educational institutions.

Gross-Margin Rise Biggest at Under-$100M Chains

	Identical Firms Sales		All Respondents Sales		
	Under $200M 1978-79	**Over $200M 1978-79**	**Under $100M 1978-79**	**$100-$260M 1978-79**	**Over $260M 1978-79**
Gross Margin (As % of Sales) Percentage Point Rise % Change	27.77-28.08 0.31 +1.1	27.52-27.95 +0.43 +1.5	27.26-29.60 +2.34 +7.9	25.80-27.22 +1.42 +5.2	27.70-27.98 +0.28 +1.0
Total Expenses (As % of Sales) Percentage Point Rise % Change	23.76-24.57 +0.81 +3.3	24.86-24.84 −0.02 −0.08	24.20-26.68 +2.48 +9.3	23.86-24.19 −0.33 −1.4	24.41-25.01 +0.60 +2.4
Average Transaction $ Increase % Change	N/A — —	N/A — —	9.46-11.00 1.54 +14.0	9.57-10.29 0.72 +7.0	9.75-10.46 0.71 +6.8
Average No. '79 Transactions	—	—	2,820,172	19,788,501	47,947,721
% Change From '78	—	—	+7.3	+10.2	+9.3

Source: NMRI/Cornell Study

Execs Skeptical of Figures Reported For Small Chains

Chain executives contacted by *DSN* questioned the figures released in the NMRI/Cornell study, skeptical of such reported substantial gains in both the number and dollar amount of average transactions for small chains.

"A gain of 14% in the size of the average transaction, coupled with a 7% gain in the number of transactions (as reported in the study for chains with sales under $100 million) is a total compound gain of 22%," pointed out Tom Banks, vice president of Roses. "I don't know of many small chains growing that rapidly."

In Doubt

Some retailers feel that the combined effect of new stores, inflation and plus business could result in a 22% growth rate, and point to the less dramatic rate among larger chains—about 18% in medium-sized companies and 16% in the largest chains reporting. But the 14% reported gain in transaction value and 7% gain in the number of transactions got little credence from retail executives.

"I don't believe it," was Dave Grundfest's reaction. The president of Magic Mart—which does just over $100 million in annual sales volume—added that the reported gain in the number of transactions was particularly suspect, since that class of discount chains had also reported a substantial increase in gross margin as a percentage of sales.

"It may have been true during the last part of 1978 and the first quarter this year," said S. E. Nichols president Manfred Brecker, "but it certainly isn't true now." Brecker also added that the apparent loss of market share by smaller chains was not surprising, given the greater resources of the bigger-volume chains.

Score with Ansco binoculars

Looking for a way to score big with your binocular customers? Get on the Ansco team. Cash in on two complete lines of popular-priced binoculars made by the largest binocular manufacturer in the world.

These high-quality, precision binoculars come in a wide range of optics from 8x30 to to 16x50. They virtually sell themselves, with features that turn the customer on. Features like fully coated optics and fold-down rubber eye cups. Some models have chrome and special drop-shoulder construction. Some models are wide angle—perfect for taking in all the action. Both the 12x50's and the 16x50's come with tripod sockets. All come in a complete kit with hard P.V.C. case, case strap, binocular strap, lens caps, and lens cleaning cloth.

All come with a warranty, but because Ansco binoculars are quality-built to last, you don't have to worry about those troublesome returns anymore.

And there's more to Ansco binoculars than meets the customer's eye. We've put together a dealer program that makes these glasses a dream to handle. It starts with an attention-demanding, self-merchandising package that displays both binocular and case. The program includes an industry-unique ordering and shipping policy that allows you to "mix and match" as you choose. There are even special discounts for central warehouse delivery, and special programs for store-door delivery. Since we also offer you our fast-selling lines of 35mm and 110 popular still cameras—and super-8 movie equipment—you can now "team-up" with Ansco for all your photo-optical needs.

For the full story, contact Ansco Photo-Optical Products Corporation, 1555 Louis Ave., Elk Grove Village, ILL 60007, Phone: (800) 323-6697.

Ansco cameras & binoculars

A Haking International Company

Infants' Dept.

(Continued from page 3)

spokesman said, "and novelty items of any type seem to be the growth areas."

Lap shirts in general were touted as strong items by buyers, and terrycloth was named as this year's fabric in infants' wear.

Advertising in both soft and hard goods in infants' has been on the upswing. (Towels, crib sheets, anklets and polo shirts have been promoted recently at Magic Mart and Woolco. Woolco also ran a bassinette and hamper (at $19 and $8 respectively, in a color circular).

More Promotion

Some chains are devoting up to 6% of their advertising to the department, and tied in with this are two strengths of the infants' department:

First, it's not a category with marked seasonality, and ads are spread throughout the year evenly although some space may be lost in August due to back-to-school promotions and there may also be some bunching for fourth-quarter purchases.

Second, the department is not one where drastic markdowns must be taken, due to the nature of the merchandise, which aids profits in the department tremendously.

Buyers look for a continuation of recent growth in the department next year.

Murphy Wins Award For Annual Report

McKEESPORT, Pa.—G. C. Murphy has received a national award for the clarity and candor of its annual report to stockholders.

The National Association of Investment Clubs sponsored the Nicholson Award for the best annual report for individual investors by a retail firm.

A panel of financial experts gave G. C. Murphy high marks for the report's readability, financial data and analysis of business. The report featured an assessment of the company's 1978 performance in an interview with S. Warne Robinson, chairman and ceo.

Advertising News

Catalog Showrooms Up Ads 47%; Pack 51% into 4th Quarter

What's happening on the discount advertising scene? The catalog showroom fourth-quarter push in advertising is due again; retail ads in newspapers are lagging behind total advertising gains for the year to date; a new licensing program ties together vendors, stores and newspapers in a coupon game.

CATALOG AD ASSAULT. As discounters are beginning to realize, catalog showrooms are increasing advertising tremendously—47% on average last year over 1977—but of particular interest now is their focus on the fourth quarter.

Catalogers averaged almost 51% of their newspaper advertising in the fourth quarter last year. Discounters commonly run 30% to 40% of their ads in the last quarter.

What this means is more fourth-quarter leverage from a smaller total advertising base for the catalogers. The largest newspaper advertiser among catalogers last year was Service Merchandise, which bunched almost 75% of its ads in the fourth quarter.

Service, which is almost comparable with Bradlees in volume, ran 1.8 million lines of advertising in the fourth quarter last year compared to Bradlees' 2.7 million lines.

Bradlees thus ran 50% more advertising than Service in the fourth quarter, but over the entire year ran three times as much advertising as the cataloger (7.1 million lines compared to 2.4 million), according to Media Records figures.

Value House showrooms, now owned by Service, shared the extreme fourth-quarter ad-bunching philosophy, with almost 60% of their advertising run then. Best, Century House and Basco also illustrate pronounced emphasis on advertising for Christmas.

A few catalogers, including Naum's and McDonalds, spread their advertising more evenly through the year and budget percentages comparable to discounters in the last quarter.

Catalogers are still minor advertisers compared to discounters, of course, but the rate of advertising growth is impressive. Service increased advertising almost 87% last year from 1977, while Best and O. G. Wilson more than doubled theirs.

Top advertising spot for this year may continue to be tightly contested among catalogers; members of the Modern Merchandising group also increased linage last year, and taken as a total represented 2.36 million lines in 1978, only slightly behind Service at 2.37 million, according to Media Records figures.

* * *

RETAIL ADS LAG. Retail advertising in daily newspapers is growing at a slower rate than total newspaper advertising, according to estimates made by the Newspaper Advertising Bureau.

Retail ads in newspapers were up 12.6% in August, compared to total advertising linage gains of 14.3% for the month in newspapers nationwide.

In the first eight months of 1979, newspaper advertising was up 12.8% while retail ads increased 9.6% over the first eight months of 1978.

Comparisons with last year do not include New York City, where a strike closed major newspapers for most of August 1978.

Largest spenders for newspaper advertising are still retailers, however. The NAB estimates that $4.7 billion of the $9 billion spent on newspaper ads for the first eight months of the year was from retailers.

* * *

TRAFFIC WITHOUT COST is how Kansas City promoter Maynard Small bills his "Coupon Bingo" promotion program, which has been running in the *Kansas City Star, Philadelphia Bulletin* and *Buffalo Evening News* recently.

Small's firm, Creative Marketing Associates, licenses the papers to run a special bingo card with several squares having a manufacturer's name on them. Readers must find cents-off coupons featuring the manufacturer's product elsewhere in the newspaper, and match them up with the squares on the bingo card to complete the card.

The bingo card is then mailed back to the newspaper, which draws from the correctly com-

(Continued on page 9)

Service Tops Catalogers in Newspaper Linage

CATALOG SHOWROOM	1978 Newspaper Ad Linage	% Increase From 1977	4th Quarter Ad Linage	% of Ads in 4th Quarter
Service Merchandise*	2,372,818	86.7	1,768,078	74.5
La Belles**	1,072,739	42.8	465,942	43.4
Naum's	996,560	31.2	332,344	33.3
Consumers Distributing	944,782	2.1	444,424	47.0
Best	935,903	157.0	540,098	57.7
Standard Sales**	858,539	36.5	383,300	44.6
McDonalds	740,186	(6.4)	219,876	37.0
Value House*	551,854	41.5	330,641	59.9
O. G. Wilson	473,729	111.0	252,928	53.4
Leeds**	427,235	(20.1)	219,876	51.5
Kessler	390,018	NA	185,235	47.5
Century House	262,909	96.0	186,882	71.1
Dahnken	201,639	27.2	105,249	52.2
Grand Distributors	148,371	67.2	59,213	39.9
Basco	69,377	39.0	44,214	63.7

(Based on 1978 figures from 234 daily and Sunday newspapers in 83 cities)
(Source: Media Records Inc.)
NA: not available ( ) denotes decrease
** Value House is now part of Service Merchandise*
*** La Belles, Standard Sales and Leeds are all owned by Modern Merchandising*

100 MILLION REASONS
WHY KIT'S EASY-DOES-IT
MEANS EASY MONEY FOR
WIN A MAZDA B-2000
You can
in Kit's Easy-
Kit's
EASY TO SAVE
$1 50 Cash
REFUND
SPRINT
CAR PLATE
Kit
ND
BLANKS
10,101 prizes worth over $125,000
Grand Prize: Mazda RX-7
Mazda B-2000 pickup truck
TIE-IN NOW!
Easy

4 of 5 Discounters Register Strong Sales Gains

5-Wk. Sales Rise 22% at Caldor

NORWALK, Conn.—The opening of two stores and a strong back-to-school season enabled Caldor to record a 22% jump in sales in the five weeks ended Sept. 29. Volume was $51,604,000 compared with $42,312,000 for the same period last year.

The eight-month period's sales of $323,414,000 were up 16% from $278,744,000.

The two new stores give the northeast regional chain 52 units with four more due to be opened.

K mart's Volume Up 14% in Sept.

TROY, Mich.—K mart checked out $1,186,840,000 in sales in the five weeks ended Sept. 26, a 13.6% jump over the same period last year when volume amounted to $1,044,430,000.

The month's sales helped boost the 35-week period volume to $7,686,799,000, up 14.2% from $6,730,955,000 for the same period last year.

K mart's store count for the period was 1,988, up 9.4% from 1,817.

Nathanson Is Named Sattlers' Prez

BUFFALO, N.Y.—Gerald Nathanson, former president of J. M. Fields, has succeeded Ralph Wilcove as president of Sattlers, a five-store conventional department store chain here.

Two former Fields executives have joined Nathanson at Sattlers. They are Tom Seifert, named senior vice president and general merchandise manager, hard lines and budget shop, and Jim VanGundy, senior vice president, operations and corporate facilities.

Nathanson has bought an interest in Plapinger Associates which has purchased Sattlers. Plapinger had tried to buy Fields when its parent Food Fair decided to sell the then 79-store discounter as part of its Chapter XI reorganization.

Sattlers wouldn't be changed into a discount store operation, Nathanson asserted.

The chain has one store in downtown Buffalo, and units in four malls in the upstate New York market. Its major competitors include five other conventional department store chains, one of which, Hens & Kelly, is owned by discounter Twin Fair.

Two Guys' Sales Continue Flat

GARFIELD, N.J.—Two Guys' sales continued flat for both the four weeks and eight months ended Sept. 29.

In the September period, company-owned volume was $49,213,000, up 1.1% from $48,657,000. Leased department sales of $2,337,000 in the month this year were up 5.7% from $2,207,000 and helped raise total chain volume to $51,550,000, a 1.3% increase from $50,864,000.

The 35-week volume was $416,593,000, a 3% increase from $404,365,000. Adding leased department sales of $17,729,000 which were up 3% from $17,186,000, boosted total volume to $434,322,000, a 3% increase from $421,551,000.

35-Wk. Biz Up 11% For Zayre

FRAMINGHAM, Mass.—Zayre registered a 7.5% sales gain in company-owned volume for the five weeks ended Sept. 29 and a 10.8% jump for the 35-week period.

In the five-week period, volume hit $141,666,000 compared with $131,725,000 last year. The eight-month results showed sales of $913,137,000 as against last year's $823,849,000.

Gemco/Memco: Big Pretax Net

DUBLIN, Calif.—Gemco/Memco piled up pretax percentage earning gains that outpaced sales increases for the quarter- and half-year periods ended July 30.

The discounter's parent Lucky Stores doesn't report net income figures for its various retail divisions.

Gemco/Memco's sales in the quarter went up 19.4% to $351,000,000 from $294,000,000 while pretax income of $14,876,000 was 26.5% ahead of the $11,761,000 for the period last year.

In the half-year, the discounter's sales of $666,000,000 marked a 19.1% increase from $559,000,000 but were outpaced by a 25% jump in pretax earnings to $22,560,000 from $18,042,000.

The 72 discount stores accounted for 25.1% of the parent's sales and 30.8% of the pretax income in the quarter and 24.8% of the volume and 25.9% of the pretax earnings in the half.

The parent company's sales in the quarter hit $1,398,700,000, up 21% from $1,555,700,000 while pretax earnings of $48,200,000 were a 20.5% increase from $40,000,000. Net income jumped 25% to $25,500,000 from $24,400,000.

The half-year results showed volume of $2,684,900,000, up 20% from $2,230,500,000, while pretax income was up 25.3% to $87,200,000 from $69,600,000. Net earnings jumped 31% to $46,200,000 from $35,200,000.

Paper Shortage

Severe shortages of the paper usually used by *Discount Store News* have forced us, like other major publications, to use lighter-weight, uncoated stock for some pages. As soon as our suppliers obtain the necessary stock, we will return to full use of the better-quality, coated paper you have come to associate with DSN.

Advertising News

(Continued from page 8)

pleted cards for weekly first prizes of $1,000, and runner-up prizes of free merchandise from participating retailers.

Retailers that participate in the program must feature at least one item in their ad that matches an item on the bingo card, as well as run a 4-column-in. inset in their ad with the Coupon Bingo logo and mention of the $1,000 first prize.

Thus far, manufacturers such as Procter & Gamble, Nestle and Coca-Cola have participated, and the retailers have been supermarkets. Small said the newspapers have concentrated upon supermarkets in selling the program, but mass merchandisers may be approached in the future. He anticipates vendor participation from H&BA and household consumables manufacturers, in merchandise categories applicable to mass merchants.

Newspapers sell the program to local retailers and vendors on the premise that since the coupon/ads are aids to the consumer in a chance to win $1,000 or free merchandise, they will have the highest awareness level.

The newspaper pays for the prizes but has an advertising package to sell; manufacturers hope to get better sell-through from increased coupon redemptions (Small estimates that only 5% of the 80 billion cents-off coupons run annually are redeemed); retailers—those who handle cents-off coupons, which discounters have traditionally shied away from handling—get an additional discount to offer the customer without paying for it themselves.

* * *

CORRECTION. A chart in the Oct. 22 DSN listed Korvettes in Atlanta as making the sixth largest TV ad expenditure in a local market by a discounter. This was caused by a Television Bureau of Advertising typographical error; the sixth largest expenditure was by Korvettes in Philadelphia.

SWEEPSTAKES YOU.
to wax, easy to win with Kit.
kit
CAR-PLATE
SPRINT
WHITE SIDEWALL CLEANER
VINYL TOP INTERIOR CLEANER

- [illegible] advertising.
- Up to 15% volume discounts.
- Warehousing chains with master ordering systems can consolidate purchases to earn the higher quantity discounts.
- [illegible] bird allowance and extended dating.
- Most exciting promotion in the industry.
- Great automotive products and award-winning packaging.

Get full details and point-of-sale materials from your J/Wax sales representative or come see us at the A.P.A.A. Show.

AUTO SHOW SECTION

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

AUTOMOTIVE ACCESSORIES

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	9	Armor All, 8 oz	13,199	2.89	38,145.11
2	26	Armor All, 16 oz	6,660	5.69	37,895.40
3	14	HD sealed beams, 6014	10,799	2.99	32,289.01
4	—	Gas line antiffreeze	76,609	0.39	29,877.51
5	3	Motorcraft oil filter, FL-1A	8,821	3.29	29,021.09
6	50	1½-ton Hydraulic floor jack	408	69.99	28,555.92
7	11	AC oil filter, PF-25	5,685	3.49	19,840.65
8	41	HD sealed beams, 4000	7,006	2.69	18,846.14
9	15	STP oil treatment, 15 oz	13,968	1.29	18,018.72
10	44	WD-40 aerosol, 9 oz	9,990	1.79	17,882.10
11	21	Gumout Jet Spray, 13 oz	7,696	1.99	15,315.04
12	25	Valvoline, 10W-40	16,847	0.89	14,993.83
13	37	Snowhite Lite 'N' Easy, gallon	1,355	10.99	14,891.45
14	—	Spark King, SK-2	5,411	2.59	14,014.49
15	12	Quaker State Super Blend, 10W-30	16,271	0.83	13,504.93
16	—	Aerosol starting fluid	15,167	0.89	13,498.63
17	32	Warco DOT brake fluid, 12 oz	9,600	1.39	13,344.00
18	52	STP gas treatment, 12 oz	11,040	1.19	13,137.60
19	29	Warco DOT brake fluid, qt	3,396	3.79	12,870.84
20	56	Bars Leak, 15 oz	7,595	1.69	12,835.55
21	34	Delco 8-cylinder tune-up kit, 101-2	1,943	6.39	12,415.77
22	69	20-in wheel wrench	3,070	3.99	12,249.30
23	36	Roberk wiper blade refill, RR-16	5,165	2.29	11,827.85
24	58	AC spark plug, R45TS	11,008	1.07	11,778.56
25	20	Gumout carb cleaner, 16 oz	6,941	1.69	11,730.29
26	38	GM 8-cylinder uniset, 101-1	1,396	8.39	11,712.44
27	49	Bars Leak, 5½ oz	9,792	1.19	11,652.48
28	24	Quaker State Deluxe, 10W-40	13,031	0.89	11,597.59
29	1	5-gallon Gas can	1,641	6.89	11,306.49
30	27	Gunk aerosol	6,615	1.69	11,179.35
31	—	Armor All, 4 oz	6,096	1.69	10,302.24
32	87	3-ton Hydraulic jack	687	14.99	10,298.13
33	39	Pennzoil Deluxe, 10W-40	11,568	0.89	10,295.52
34	—	5-ton Hydraulic jack	570	17.99	10,254.30
35	92	Sq. sealed beams, low, 4652	2,174	4.69	10,196.06
36	—	Tam-66 undercoating	5,291	1.89	9,999.99
37	22	Pennzoil All-Purpose, 10W-30	11,952	0.83	9,920.16
38	—	Universal snow chains	1,254	7.83	9,894.06
39	63	Snowhite Lite 'N' Easy, qt kit	2,388	3.99	9,528.12
40	75	AC spark plug, R44T	8,800	1.07	9,416.00
41	4	DuPont Rain Dance, paste, 14 oz	2,088	4.49	9,375.12
42	65	Grey wheel primer	5,391	1.69	9,110.79
43	68	Rislone oil alloy, qt	5,295	1.69	8,948.55
44	—	Fram oil filter, PH-8A	2,448	3.59	8,788.32
45	33	AC oil filter, PF-30	2,498	3.49	8,704.06

(Continued on page 27)

Promos, Winter Items Rev Up Sept. Orders

By HERB RECHTER
President,
Allied Accessories and Auto Parts Co.

While we experienced a softer than usual September—the period covered in this Product Movement Audit—October orders rebounded well and there is reason to be optimistic for the balance of the year.

September saw retailers fill the pipelines with cold weather seasonals and score with numerous promotions.

At the top of our audit were two sizes of Armor All protectant, mainly the result of extensive promotions by one of our major clients. Each store in its chain stocked all available sizes of Armor All, with a total inventory investment per store of $1,500.

Figures for the Product Movement Audit tables were supplied by Allied Accessories and Auto Parts Co., Madison Heights, Mich., and cover 2,000 stores, including 1,700 discount stores, in 33 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

In addition to moving the 8- and 16-oz. sizes to the top two positions, the promotion put the smaller 4-oz. size on our top 100 listing for the first time, making it No. 31. Armor All cleaner also benefited, moving from No. 97 in June to 47 in September.

In terms of units moved, gas line antifreeze was the undisputed leader, with more than 76,000 plastic bottles sent into the pipeline by retailers. Recent winters should prompt many drivers to make early purchases. Despite the 39¢ price—the lowest of any item in the top 100—the huge numbers of units propelled this product to fourth on the list.

Other seasonals on this September PMA included aerosol starting fluid, ranked No. 16, wiper blades, radiator chemicals, chains, booster cables, snowbrushes, a battery charger, de-icers and others.

The approaching winter also aided other products, such as the Spark King, a steady item which suddenly increased in

(Continued on page 27)

The Great American Do-It-Yourselfer

The Great American Do-It-Yourselfer wants help wherever he can get it. When you give it to him, you'll reap the rewards—more sales, more profits.

We're flexible. We supply the experts, of course. But you tell us how you'd like to use them. For simple-tune-ups or complete ignition overhaul. Conventional or electronic ignitions. Or a combination to fit your need.

We help you tell the town. Standardizd also gives you promotional aids that'll make your clinic as popular as it is profitable.

You get in-store banners and posters. A radio script. A 10-second TV script with slide. Newspaper ads. All on a special co-op plan.

Plus, give-aways and "buy today" discounts for customers who attend.

We make clinics pay. A clinic's not worth much if you don't have the parts to sell to customers who come.

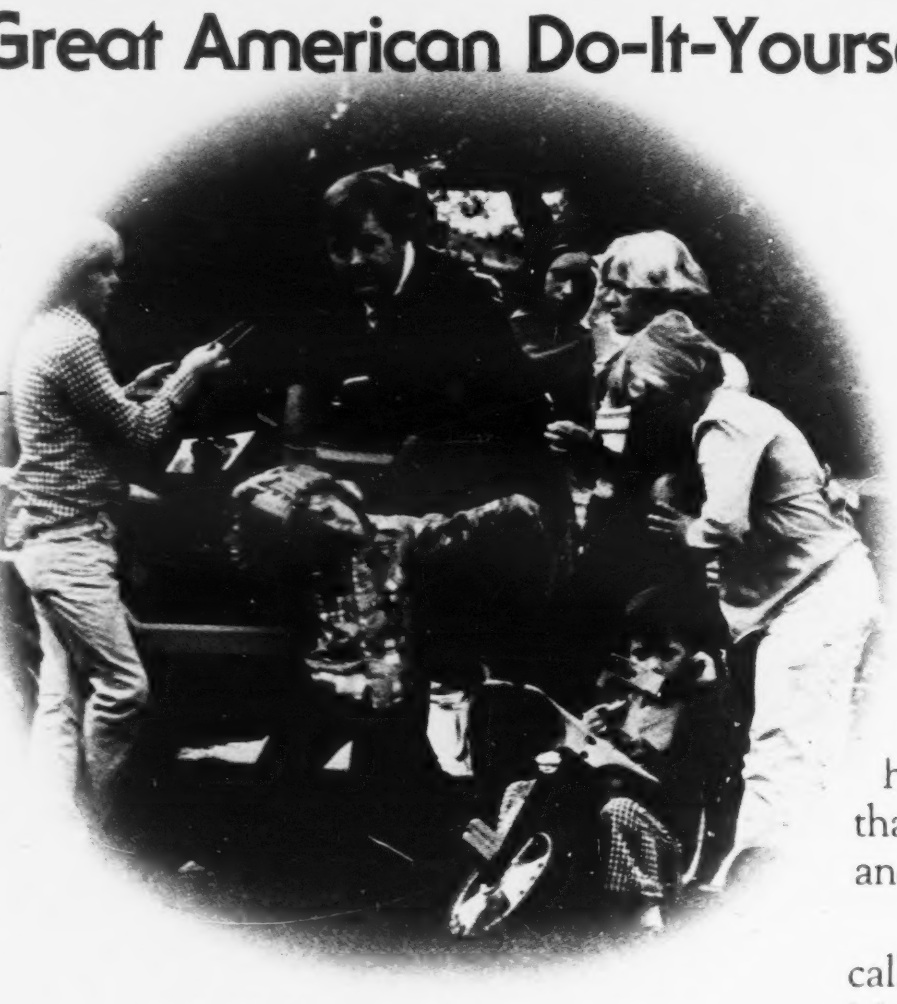
Standardizd has the ignition line to make a clinic pay off big. Tune-up kits, wire and cable, distributor caps, coils, voltage regulators, and more. Domestic and import.

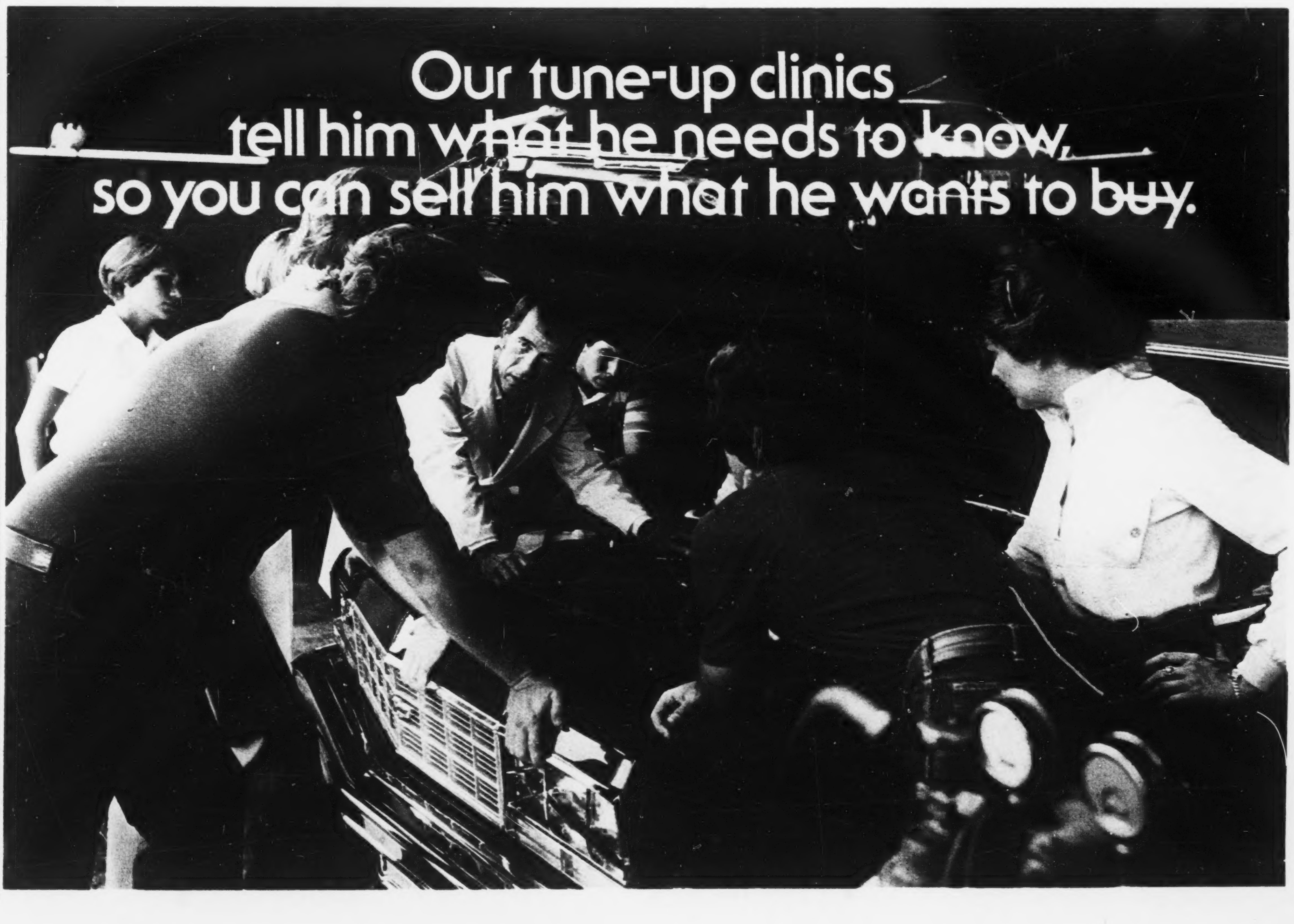
We want your store to be *the place* where the Great American Do-It-Yourselfer goes for ignition parts. A clinic is a great way to get him there.

Once he tries Standardizd, he'll come back for more. And that will add up to more business and more profits for you.

How to get started. Just call *Andy Micklos*, National Sales Manager, for more details. Here's the number: (414) 922-5900. Or write Wells Mfg. Corp., Fond du Lac, WI 54935.

Standardizd™
Certified Performance
A product of the Wells Mfg. Corp. • Fond du Lac, WI 54935




Our tune-up clinics
tell him what he needs to know,
so you can sell him what he wants to buy.

AUTO SHOW SECTION

AUTOMOTIVE ACCESSORIES

(Continued from page 25)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
46	90	AC oil filter, PF-24	2,479	3.49	8,651.71
47	97	Armor All cleaner, 16 oz	4,331	1.99	8,618.69
48	—	AC oil filter, PF-40	2,607	3.29	8,577.03
49	54	Fix-A-Flat	6,542	1.29	8,439.18
50	40	Locking gas cap, 4610BL	1,374	5.99	8,230.26
51	84	Roberk wiper blade refill, RR-18	3,581	2.29	8,200.49
52	—	Thrush muffler, T-4163	628	12.99	8,157.72
53	—	Prestone Super Flush, PK-12	2,806	2.89	8,109.34
54	—	Rear window defroster	732	10.99	8,044.68
55	66	DL hand cleaner, 1 lb	8,087	0.99	8,006.13
56	—	Aerosol spray de-icer	8,856	0.89	7,881.84
57	61	Motorcraft 8-cyl tune-up kit, DKF-10	1,310	5.99	7,846.90
58	—	1½-ton Hydraulic jack	714	10.99	7,846.86
59	19	Westleys Bleach White, 20 oz	4,223	1.79	7,559.17
60	10	Coleman air compressor	189	39.89	7,539.21
61	—	12-ft Booster cables, sleeved	1,150	6.49	7,463.50
62	57	3-section Antenna w/booster	977	7.59	7,415.43
63	—	Motorcraft spark plug, ARF-52	6,920	1.07	7,404.40
64	43	DS-840 assortment	4	1,839.60	7,358.40
65	—	National All Purpose, 10W-30	12,287	0.59	7,249.33
66	—	Blower/defroster	554	12.99	7,196.46
67	17	Super Hard Shell, paste kit, 14 oz	2,760	2.59	7,148.40
68	45	Peak antifreeze, gallon	1,662	4.29	7,119.98
69	—	Quartz light kit, QR-210	183	38.88	7,115.04
70	—	Thrush muffler, T-3163	543	12.99	7,053.57
71	—	12-ft Booster cable, deluxe clamp	537	12.99	6,975.63
72	62	AC oil filter, PF-35	1,992	3.49	6,952.08
73	94	Red oxide wheel primer	4,047	1.69	6,839.43

(Continued on page 30)

Promos, Winter

(Continued from page 25)

volume. However, I believe that Spark King, which boosts the electrical charge to plugs, was helped most by potential benefits to engine performance and economy.

Bars Leak, another reliable performer which had placed near the middle of past PMAs, was aided by seasonal attention to cooling systems. The 15-oz. size which in June was No. 56 moved up to No. 20, and the 5½ size went from No. 49 to No. 27 in September.

The one cold weather seasonal which declined on this list was Peak antifreeze. However, this was due to preseason fears of possible shortages which led many retailers to place large early orders with other than their normal sources for antifreeze. Those fears have now subsided, leading chains to return mostly to their accustomed suppliers.

The fall car care season combined with economy concerns to help move up tune-up kits and related parts. Every spark plug and tune-up kit number advanced in September and a GM 8-cylinder distributor cap appeared for the first time, ranking No. 86 in dollar volume.

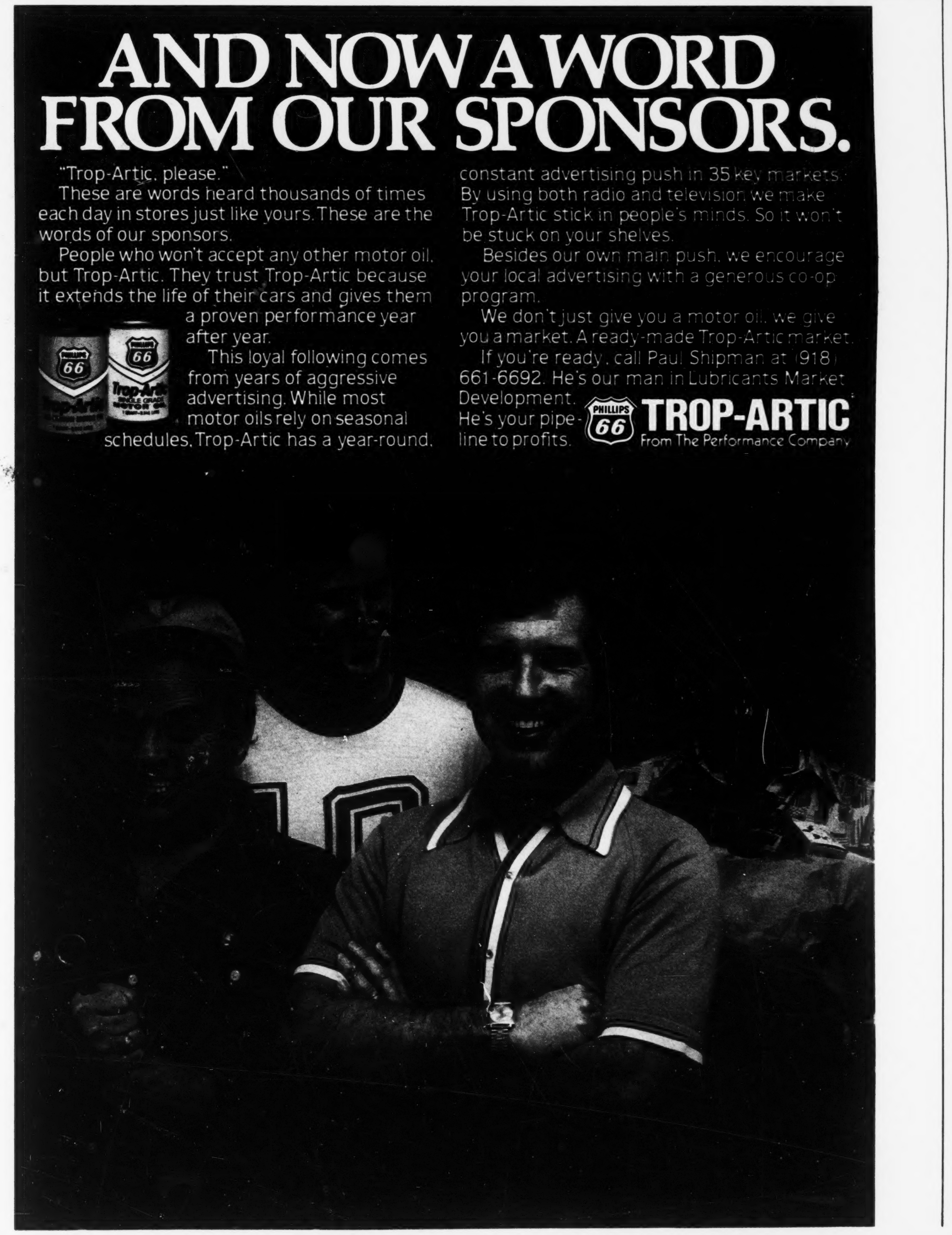
Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Filters and oils also did well for the fall DIY season with Shell's Fire and Ice appearing on its first PMA. While Quaker State remains the best day-in, day-out performer, with Pennzoil and Valvoline also very strong for us, Shell has become very aggressive and has taken a respectable share of the market.

(Continued on page 30)


AND NOW A WORD FROM OUR SPONSORS.

"Trop-Artic, please."

These are words heard thousands of times each day in stores just like yours. These are the words of our sponsors.

People who won't accept any other motor oil, but Trop-Artic. They trust Trop-Artic because it extends the life of their cars and gives them a proven performance year after year.

This loyal following comes from years of aggressive advertising. While most motor oils rely on seasonal schedules, Trop-Artic has a year-round, constant advertising push in 35 key markets. By using both radio and television we make Trop-Artic stick in people's minds. So it won't be stuck on your shelves.

Besides our own main push, we encourage your local advertising with a generous co-op program.

We don't just give you a motor oil, we give you a market. A ready-made Trop-Artic market.

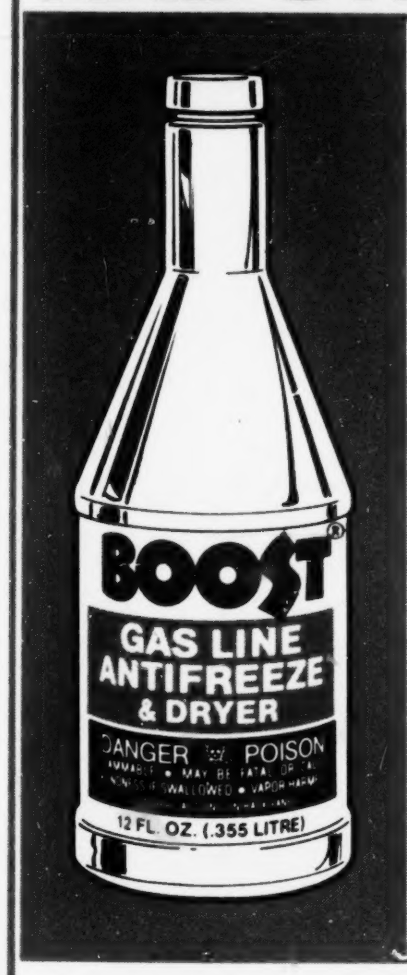
If you're ready, call Paul Shipman at (918) 661-6692. He's our man in Lubricants Market Development. He's your pipeline to profits.

PHILLIPS 66 TROP-ARTIC
From The Performance Company

If you don't know all 90 of our products- Start by learning 10.

2.
3.
4.
5.
6.
7.
8.
9.
10.
Liquid Wrench
GUNK
GXT Engine Enamel
Lan-Lin Hand Cleaner
Transeal
Transmedic
Bearin'Seal

GUNK. Solder Seal



BOOST® . . . THE WINNER AND STILL CHAMPION!

BOOST® WAS THE FIRST GASLINE ANTIFREEZE AND DRYER TO MEET THE NEEDS OF YOUR CUSTOMERS WITH
- AN EASY POUR, LONG NECK BOTTLE
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IT'S CONVENIENT AND EASY TO USE!

BOOST® GASLINE ANTIFREEZE AND DRYER IS THE FASTEST GROWING BRAND ON THE MARKET, WITH PROVEN
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THIS SEASON, BOOST YOUR SALES AND PROFITS WITH A PROVEN WINNER . . .

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RIVERDALE PRODUCTS
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Packaging Division
LAKE RIVER CORPORATION
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BOOST® IS A REGISTERED TRADEMARK OF LAKE RIVER CORPORATION AND ANOTHER OF THE MANY QUALITY RIVERDALE PRODUCTS

AUTOMOTIVE ACCESSORIES

(Continued from page 27)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
74	80	CD-2 Red Hi, 15 oz	3,996	1.69	6,753.24
75	—	**Shell** Fire and Ice, 10W-40	8,400	0.79	6,636.00
76	—	Valvoline Dexron ATF	7,608	0.87	6,618.96
77	—	GM 8-cylinder tune-up kit, TK-175	2,069	3.19	6,600.11
78	—	Auto bulbs, 1157/1034	7,303	0.89	6,499.67
79	—	Scraper/squeegee, snowbrush	4,344	1.49	6,472.56
80	—	Roberk universal washer pump	673	9.49	6,386.77
81	16	DuPont Rain Dance, liquid, 12 oz	1,416	4.49	6,357.84
82	—	Sealed beams, 4001	2,333	2.69	6,275.77
83	18	Dual air horns	214	28.99	6,203.86
84	78	Yale power steering fluid, 15 oz	5,184	1.19	6,168.96
85	—	Roberk wiper blades, 16-in	2,570	2.39	6,142.30
86	—	GM 8-cylinder distributor cap, DR1976	1,457	4.19	6,104.83
87	95	AS400 Brake fluid, 12 oz	3,552	1.69	6,002.88
88	—	AC spark plug, R46S	5,575	1.07	5,965.25
89	35	Running board, Chevy trucks	54	109.95	5,937.30
90	31	6½-gallon Gas can	743	7.99	5,936.57
91	—	Thrush muffler, T-5136	455	12.99	5,911.45
92	—	Prestone 10-minute radiator flush	5,376	1.09	5,851.84
93	—	Mopar oil filter, L-19	1,931	2.99	5,773.69
94	—	10-amp Battery charger	153	36.95	5,653.35
95	48	3-section Ball spring antenna	808	6.99	5,647.92
96	—	Thrush muffler, T-3162	434	12.99	5,637.66
97	—	Power liquid battery additive	2,820	1.99	5,611.80
98	—	Sq sealed beams, high	1,196	4.69	5,609.24
99	—	Dip stick heater	1,124	4.99	5,608.76
100	—	Thrush muffler, T-4164	430	12.99	5,585.70

Source: Allied Accessories & Auto Parts Co.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Promos, Winter

(Continued from page 27)

With continued strong advertising support—as well as special deals Shell has been offering retailers—Fire and Ice looks to be on its way to a lasting significance.

Also showing well was our promotionally priced brand of oil—National 10W-30, which has a retail price of 59¢ a quart.

Extensive promotion also put our 1½-ton imported floor jack back up into the top 10. The jack, with a retail price of $69.99, dropped to No. 50 in the June PMA because of supply problems, but with those difficulties ended this popular promotional item regained its former strength. I expect that it will continue to be among the dollar leaders as we approach the Christmas gift season.

Promotions also were a factor for three other numbers of hydraulic jacks. The 3-ton-, 5-ton- and1 ½-ton-capacity jacks, with respective price points $14.99, $17.99 and $10.99, all showed good gains in September.

The biggest dollar producer, the 3-ton jack, placed No. 32 on the list following June's ranking of No. 87. The 5-ton model was close behind, ranking No. 34, and, like the 1½-ton model, which was No. 58, had not made the top 100 in June.

Last spring, the big news was gas supply problems, and gas cans and locking gas caps were naturally among the leading products. This has cooled greatly, but two gas cans and one gas cap number continued in the top 100. Significantly, it was the larger capacity cans, the 5- and 6½-gal. sizes, which remained on the list.

Also fading in September were waxes. In fact, the 1979 season was rather disappointing in this category, perhaps because of a late start with favorable weather.

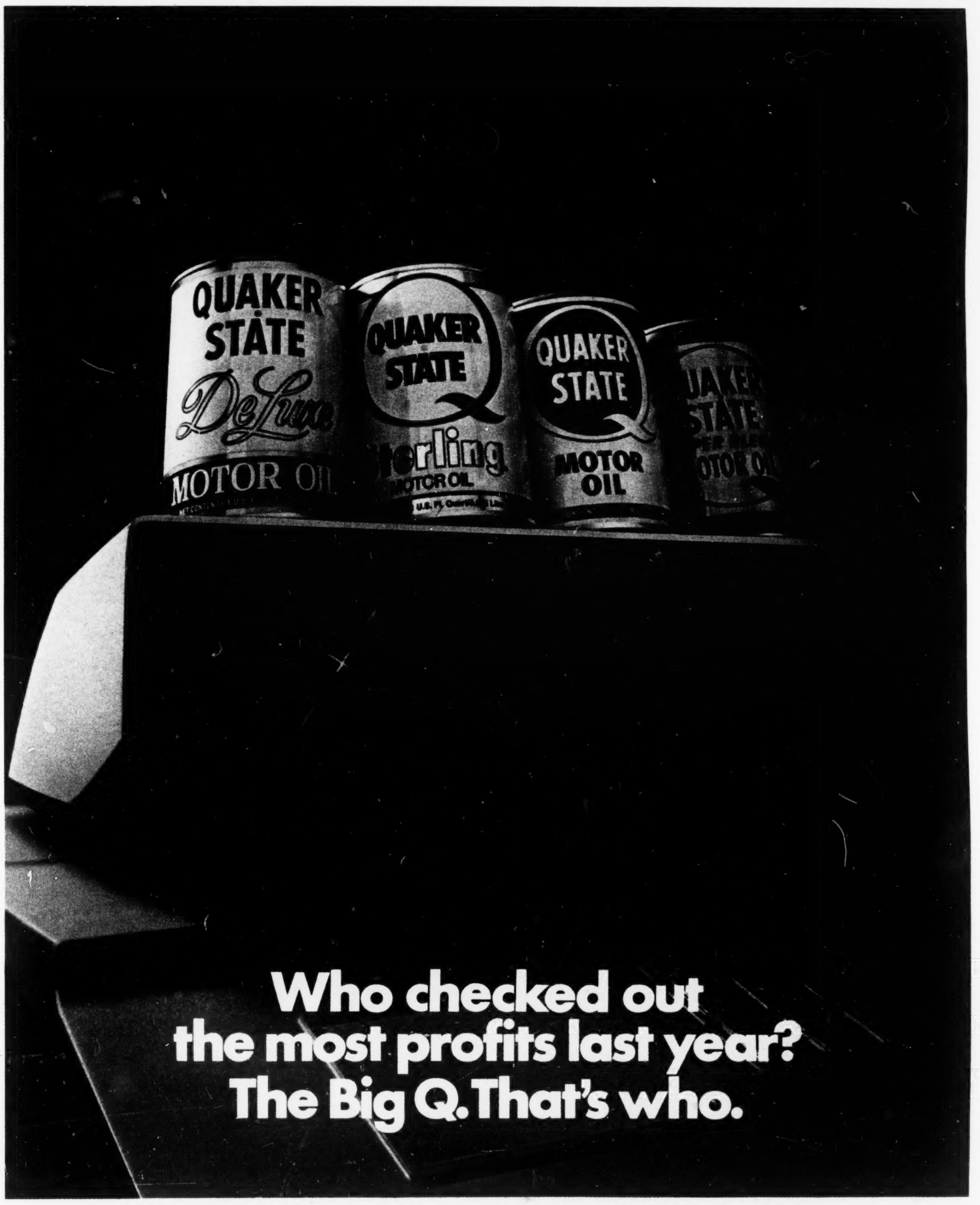
The leading wax in the September period was DuPont Rain Dance paste, which dropped from its No. 4 ranking in June to No. 41 for the current reporting period. Rain Dance, both the paste and liquid, was the best performer for us this year.

Another category of merchandise that has dropped from its June performance is truck running boards. However, unlike waxes this is not simply a seasonal adjustment.

In September, only one sku of running boards—the Chevrolet model—remained in the top 100, and that dropped from a ranking of No. 35 to No. 89. The Ford and Dodge models, which were on the previous PMA, have dropped off as truck sales decline because of low gas mileage. High-ticket truck accessories of this type appear to be headed for oblivion, at least for mass merchandisers.

A product line that made many inroads with the September PMA was Thrush mufflers.

(Continued on page 47)


QUAKER STATE DeLuxe MOTOR OIL
QUAKER STATE Sterling MOTOR OIL
QUAKER STATE MOTOR OIL
QUAKER STATE MOTOR OIL
Who checked out the most profits last year? The Big Q. That's who.

33.1% of all mass retailer motor oil profits came from Quaker State. And this year every gallon you sell earns you a 5¢ advertising allowance. You'll also want to look into our Grand Opening Allowance. So check with your Quaker State Distributor or the National Account Department. Go with the Big Q.

Quaker State. America's best-selling motor oil.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

New Items Help Hypo Housewares

By JERRY FALK

Executive Vice President, Bacar Inc., Distributors

A host of items ranging from a Mop-A-Matic sponge mop to an Expressions 20-pc. set in the new Batik pattern debuted on the Product Movement Audit for Aug. 1-Sept. 28.

Eighteen items showed up on the PMA for the first time, denoting the broad interest among discounters and other retailers in nonelectric housewares that haven't been exploited in previous merchandising efforts.

While new items such as the Batik pattern for Expressions dinnerware and Autumn Harvest for Pyrex are the most obvious choices to develop a new look to spice up housewares presentation, staple products in such basic areas as bath shops and cleaning and chemicals also present numerous opportunities.

In cleaning and chemicals, for example, the Mop-A-Matic sponge mop popped up in the No. 1 spot as it debuted on the audit. A Quickie automatic sponge mop showed up in the No. 13 position as it reappeared on the PMA.

Mops are among the many basic housewares that don't

(Continued on page 39)

Figures for the Product Movement Audit tables were supplied by Bacar Inc. Distributors, San Jose, Calif., and cover 1,300 stores, including 200 discount department stores. Average retail prices listed reflect typical price points for discount clients.

Up 'n' Coming On the Coast

The following "New Items" charts products (and their rank) that are appearing for the first time on the Bacar Inc. PMA report. In addition, under the heading "High Risers" are products (and their rank) that have moved up five or more places from the previously published report.

Category/Item	$ Rank
NEW ITEMS	
TABLETOP	
Expressions 20-pc set, Batik	8
GLASSWARE	
Anchor Hockg 7-pc cndrn st	4
Libbey 12½-oz bv, Str Sd, 4-pk	13
COOKWARE	
Vollrath 13-qt mix bwl, stnls	12

(Continued on page 39)

HOUSEWARES

TABLETOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4	Expressions 20-pc set, Wildflower	977	62.95	61,502.15
2	3	Corelle 20-pc set, gold	1,440	35.95	51,768.00
3	1	Expressions 20-pc set, Indian Summer	808	62.95	50,863.60
4	5	Corelle 20-pc set, green	1,414	35.95	50,833.30
5	7	Corelle 20-pc set, white	1,429	34.15	48,800.35
6	2	Expressions 20-pc set, Meadow	739	62.95	46,520.05
7	6	Corelle 20-pc set, Woodland	1,220	35.95	43,859.00
8	—	Expressions 20-pc set, Batik	358	62.95	22,536.10
9	9	Expressions 20-pc set, Blue Heather	245	62.95	15,422.75
10	8	Corelle 20-pc set, blue	394	35.95	14,164.30
11	10	Corelle 5-pc completer set, gold	470	18.89	8,878.30
12	15	Royal China 20-pc set, Sussex	253	31.50	7,969.50
13	—	Pyrex Un-Candle Apple	1,968	3.59	7,065.12
14	13	Corelle 5-pc completer set, green	351	18.89	6,630.39
15	—	Corelle large plate, green	699	8.82	6,165.18

GLASSWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Libbey 24-pc set, Chivalry	913	19.80	18,077.40
2	2	Libbey 6½-oz tall wine, Citation	2,288	5.04	11,531.52
3	6	Libbey 6½-oz red wine, Citation	1,492	5.04	7,519.68
4	—	Anchor Hocking 7-pc condiment set	624	11.97	7,469.28
5	5	Libbey 10-oz goblet, Citation	1,276	5.04	6,431.04
6	—	Jeannette 26-pc punch bowl set	550	11.25	6,187.50
7	—	Anchor Hocking 4-lb sq cand jar w/cover	2,387	2.43	5,800.41
8	12	Libbey 12-oz goblet, Connoisseur, 8-pc	434	13.23	5,741.82
9	—	Libbey 6" piggy bank	4,100	1.35	5,535.00
10	—	Libbey 11-oz white wine	946	5.22	4,938.12
11	—	Libbey 12-oz red wine, Citation	939	5.22	4,901.58
12	—	Anchor Hocking 4-pc ice bckt st, Wexford	414	11.70	4,843.80
13	—	Libbey 12½-oz bev, Straight Side, 4-pk	1,782	2.70	4,811.40
14	—	Anchor Hocking 2-lb sq cndy jr w/cover	2,460	1.80	4,428.00
15	7	Anchor Hckng 16-oz ice tea, Crn Pt, 4-pk	1,062	4.14	4,396.68

COOKWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Regal 10" skillet, SilverStone	4,764	9.88	47,068.32
2	5	T-Fal 7" skillet, rouge	6,702	6.28	42,088.56
3	6	Revere 2⅓-qt whstt tea kettle	2,737	15.30	41,876.10
4	—	Wear-Ever 10" chef frypan, Premium	2,738	10.79	29,543.02
5	2	General Hswrs 7 qt-jrs Columbian cnnr	1,757	14.35	25,212.95
6	4	Melitta 10-cup drip coffeemaker	3,744	6.29	23,549.76
7	—	Revere 12-qt stock pot, copper clad	433	47.70	20,654.10
8	—	Revere 8-qt stock pot, copper clad	565	34.20	19,323.00
9	—	Revere 2-qt hi-dome kettle, copper	825	23.40	19,305.00
10	—	Revere 1-qt tea kettle, copper	816	21.60	17,625.60
11	—	Revere 16-qt pot, copper clad	288	54.00	15,552.00
12	—	Vollrath 13-qt mix bowl, stnlss	1,511	9.90	14,958.90
13	13	Revere 3½-qt tea kettle, copp btm	675	19.80	13,365.00
14	—	Revere 2-qt dble boiler, copp clad	469	27.90	13,085.10
15	—	Revere 2-qt saucepan, copp clad	683	18.90	12,908.70

GADGETS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4	Melitta filter paper #6, 100-ct	5,664	3.59	20,333.76
2	—	Range Kleen 8" reflct pan, GE	5,467	1.80	9,840.60
3	13	Swing-a-Way hand can opener, hrvst	2,694	3.58	9,644.52
4	—	Range Kleen 6" reflct pan, GE	6,318	1.35	8,529.30
5	—	Swing-a-Way hand can opener, choc	2,275	3.58	8,144.50
6	11	Tricolator 3½" Norelco filter paper	5,578	1.43	7,976.54
7	6	Lux single dial timer, white	1,173	6.28	7,366.44
8	14	OK 12" x 13" over-sink board	1,058	6.83	7,226.14
9	—	Grayline 8-slot rack	2,455	2.68	6,579.40
10	—	Range Kleen 8" reflct pan	3,192	1.80	5,745.60
11	—	Range Kleen 6" reflct pan, super	2,292	2.47	5,661.24
12	—	Range Kleen 8" reflct pan, super	1,902	2.92	5,553.84
13	—	Range Kleen 6" reflct pan	4,105	1.35	5,541.75
14	2	Vita Saver steamer	1,360	3.86	5,249.60
15	—	Ballonoff insulated old-time mat	1,240	3.77	4,674.80

(Continued on page 39)

They look identical,
twice as much
three on

You can make twice as much because the ones on the right aren't ordinary sunglasses. They have SunSensor™ lenses by Corning.

SunSensor lenses can mean 100% more profit.

Market data shows sunglasses with SunSensor lenses sell for nearly twice as much as ordinary sunglasses in many retail outlets. So you can do twice the dollar volume and make twice the profit, based on equivalent margins. Without adding an inch of shelf space.

We're growing fast.

Last year the market share of SunSensor lenses went up dramatically and it's still soaring. Corning sales for the first six months of '79 were up over 50%.

Our line is growing, too.

One reason people are buying more SunSensor lenses is that we've got all the kinds of lenses they want to buy. The original SunSensor indoor/outdoor lens. The premium

SUNSENSOR and SUNSENSOR XDF are trademarks of Corning Glass Works, Corning, N.Y. 14830.

HOUSEWARES

(Continued from page 38)

PLASTICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	11	Frigidaire ice cube tray	5,288	1.79	9,465.52
2	—	Tucker 30-gal garbage can	754	11.68	8,806.72
3	2	Loma 32-gal trash can, avocado	666	12.59	8,384.94
4	12	Republic 2-qt Freezette refrig bottle	5,916	1.25	7,395.00
5	—	Republic 6½-qt flat Freezette	2,037	3.59	7,312.83
6	4	Republic 1½-pt uprite Freezette set	3,372	2.15	7,249.80
7	—	Republic 3-qt flat Freezette	3,948	1.70	6,711.60
8	—	Republic Freezette cake server	1,698	3.86	6,554.28
9	—	Republic ½-gal uprite Freezette set	4,788	1.34	6,415.92
10	3	Republic 1-qt uprite Freezette set	2.970	2.15	6,385.50
11	—	Republic Freezette bread container	1,926	3.14	6,047.64
12	—	Republic 2½-liter Freezette II rd jar	3,570	1.61	5,747.70
13	—	Tucker 6-gal trash can	1,177	4.48	5,272.96
14	6	Republic 1-pt uprite Freezette set	2,291	2.15	4,925.65
15	9	Republic 2½-pt flat Freezette	3,756	1.25	4,695.00

CLEANING & CHEMICALS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Mop-A-Matic sponge mop	2,959	11.65	34,472.35
2	—	Kellogg 14" patio broom	3,158	3.50	11,053.00
3	—	National corn broom, economy	3,408	3.14	10,701.12
4	—	Magia latex gloves, medium	6,598	1.16	7,653.68
5	4	Hoover vacuum bags, upright	7,608	0.90	6,847.20
6	—	3M Scotch Brite scouring pads	12,564	0.53	6,658.92
7	—	Magia latex gloves, large	5,000	1.16	5,800.00
8	10	Protecto moth balls, 10-oz box	4,752	1.16	5,512.32
9	—	Magia latex gloves, small	4,476	1.16	5,192.16
10	—	Hoover dialamatic vacuum bags	4,922	0.90	4,429.80
11	—	Associated vacuum bags, upright	4,644	0.90	4,179.60
12	—	Eureka vacuum bags, upright	4,546	0.90	4,091.40
13	—	Quickie automatic sponge mop	640	6.29	4,025.60
14	5	Ballonoff copper dustpan	2,508	1.52	3,812.16
15	2	McClung corn broom, daisy	1,125	3.23	3,633.75

BATH SHOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Grayline large shower caddy	4,039	4.48	18,094.72
2	2	Grayline shower caddy	5,790	2.68	15,517.20
3	3	Selfix shampoo spray	1,256	1.88	2,361.28
4	7	US Household appliques, frogs	1,080	1.78	1,922.40
5	6	Selfix portable wall/hand shower	215	8.54	1,836.10
6	—	Ekco 18" towel bar, chrome	840	1.78	1,495.20
7	11	Ekco 24" towel bar chrome	642	2.16	1,386.72
8	12	US Household appliques, snails	732	1.78	1,302.96
9	10	Ekco 12" towel bar, chrome	744	1.70	1,264.80
10	8	US Household appliques, mushrooms	708	1.78	1,260.24
11	—	Kellogg bowl brush, tampico	1,236	0.98	1,211.28
12	—	3M toilet bowl brush	480	2.51	1,204.80
13	14	Selfix gripper soap holder	972	1.07	1,040.04
14	—	Selfix 18" towel bar	600	1.61	966.00
15	—	Ekco 18" towel bar, die cast	246	3.77	927.66

RUBBERMAID

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	32-gal Trash can, avocado	1,662	20.65	34,320.30
2	2	32-gal Trash can, chocolate	1,641	20.65	33,886.65
3	—	Clean-up caddy	2,817	3.00	8,451.00
4	8	16" Slide-out drawer	1,116	7.15	7,979.40
5	4	12" Slide-out drawer	1,154	6.25	7,212.50
6	—	Single turntable, sand	5,528	1.30	7,186.40
7	—	Single turntable, gold	5,513	1.30	7,166.90
8	—	Cane shelf liner, chocolate	5,360	1.25	6,700.00
9	10	19" x 21" Storage turntable, sand	1,224	5.38	6,585.12
10	—	Cane shelf & drawer liner, choc	5,142	1.25	6,427.50
11	12	Delux wire dish drainer	1,368	4.48	6,128.64
12	15	Delux bowl brush set, white	1,692	3.58	6,057.36
13	—	15¾" Turntable	1,648	3.58	5,899.84
14	—	Cane shelf liner, gold	4,643	1.25	5,803.75
15	14	Small rect wastebasket, choc	1,698	3.41	5,790.18

(Continued on page 45)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

New Items

(Continued from page 38)

often show up as top movers on the PMA. When such products do appear, it's an indication that these housewares have been spotlighted by discounters as they present a new face to stimulate shopper interest.

Use of mops, of course, reflects the fall merchandising thrust in home fix-up and clean-up goods. Other cleaning-and-chemical items geared to this seasonal merchandising include a Kellogg 14-in. patio broom as No. 2, and a National corn broom, No. 3, both showing up on the report for the first time.

Additional housewares that tie in with this seasonal merchandising include a 3M toilet bowl brush which crashed the bath shop listing as No. 12, and a Kellogg tampico bowl brush, which reappeared on the report as No. 11.

A number of new items debuted on the PMA, including Expressions' Batik pattern, No. 8 on the tabletop report; a Libbey 12½-oz. beverage glass in the Straight Side design, No. 13 on the glassware chart; a Corning Ware 14-oz. casserole in an all-white design, No. 5 on the line's audit, and three Pyrex products: canister sets with Spice and Wildflower designs as Nos. 3 and 4, and a 4-pc. bowl set in the Autumn Harvest pattern, No. 15.

New items alone aren't enough for a discounter looking to hype housewares. Basic items have to be used—and the results were a strong showing of everyday items that often don't make the PMA.

Sixty-four items made the high-riser listing as discounters and other retailers exploited basic housewares.

In cookware, several Revere items reappeared as top movers, while in gadgets six Range Kleen reflector pans made the PMA.

This merchandise lends itself to displays that focus on at-

(Continued on page 45)

Up 'n' Coming

(Continued from page 38)

GADGETS

Grayline 8-slot rack	9
Ballonoff insulated old-tm mt	15

PLASTICS

Tucker 30-gal garbage can	2
Tucker 6-gal trash can	13

CLEANING & CHEMICALS

Mop-A-Matic sponge mop	1
Kellogg 14" patio broom	2
National corn broom, economy	3
3M Scotch Brite scouring pads	6
Eureka vacuum bags, uprite	12

BATH SHOP

3M Toilet bowl brush	12

CORNING WARE

14-oz Covered casserole, wh	5

PYREX

Canister set, Spice	3
Canister set, Wildflower	4
4-pc Bowl st, Atmn Hrvst	15

HIGH RISERS

TABLETOP

Pyrex Un-Candle apple	13

(Continued on page 45)

but you can make money from the the right.
SunSensor XDF exto dark exto fast lenses that change
SunSensor Dark lenses that change
SunSensor Regular lenses that change

SunSensor XDF™ lens that changes from light to dark in less than 60 seconds. And our new SunSensor Dark lens. It starts out dark and gets even darker. That makes it great for the great outdoors.

SunSensor lenses are TV stars.

Last year your customers saw them on more national TV commercials than all other types of sunglass lenses. This year your customers will be seeing a lot of them, too. On prime-time and late-night shows in the peak selling months of April, May and June.

The power of the hang tag.

Every SunSensor lens commercial features the SunSensor lens hang tag with its big orange sun. Research tells us that your customers remember it and look for it. And next to our big SunSensor lens hang tags, you can hang bigger price tags.

Those bigger price tags add up to bigger profits for you.

CORNING

Discount Store News

PMA®
PRODUCT MOVEMENT AUDIT

New Items

(Continued from page 39)

home cooking for fall and holiday entertaining.

Other items that tie in with the holiday entertaining and gift-giving season include the specialty items that showed up in the Nos. 2, 3 and 4 Corning Ware spots: Grab-It 2-pc. set; Side-Kick, and Grab-It 4-pc. set.

Libbey's 24-pc. set in the Chivalry design, No. 1 in glassware, along with Jeannette's 26-pc. punch bowl set, No. 6, and Anchor Hocking's 4-pc. ice bucket set, Wexford pattern, were other holiday entertaining-oriented housewares that made the high-riser listing.

Plastic storage containers are other staples that show movement spurts as discounters play up the classification for specific merchandising programs such as freezing goods for the holidays. Seven Republic Freezette containers, jars and even a cake server made the high-riser listing. All told, 11 of the 15 plastics items were Republic goods.

Steady Progress

Rubbermaid has been making steady progress in its efforts to become a factor in the shelf-lining area. Its cane designs seem to have caught on, as three liners in this pattern made the chart as Nos. 8, 10 and 14.

The PMA tracked 150 items, 82 of which were either new or else had moved up significantly from their previous rank on the audit. The fact that these accounted for more than half of the products on the report augurs well for the potential of housewares to be presented to consumers as a new, different and inviting area to shop.

HOUSEWARES

(Continued from page 39)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
CORNING WARE					
1	3	Trio set, spice	4,385	20.69	90,725.65
2	—	Grab-It set, 2-pc	3,785	8.09	30,620.65
3	—	Side-Kick	5,116	5.39	27,575.24
4	—	Grab-It set, 4-pc	1,766	15.29	27,002.14
5	—	14-oz Covered casserole, white	3,889	5.85	22,750.65
6	2	Kitchen Starter set, wildflower	562	34.19	19,214.78
7	1	Kitchen Starter set, spice	558	34.19	19,078.02
8	5	Menu-ette set, spice	619	20.69	12,807.11
9	13	Kitchen Starter set, cornflower	406	29.69	12,054.14
10	9	3-qt Saucepan, spice	750	15.75	11,812.50
11	—	6-cup Teapot, spice	893	13.05	11,653.65
12	—	Menu-ette set, cornflower	666	16.19	10,782.54
13	4	Cooks Choice set, wildflower	220	48.59	10,689.80
14	—	Microwave browning grill	525	19.35	10,158.75
15	—	10½" Skillet, spice	644	15.25	9,821.00
PYREXWARE					
1	1	3-qt Oblong bake dish	8,360	4.04	33,774.40
2	3	3-qt Utility dish w/basket	2,331	11.65	27,156.15
3	—	Canister set, spice	2,418	10.79	26,090.22
4	—	Canister set, wildflower	1,654	10.79	17,846.66
5	7	2-qt Oblong bake dish	4,253	3.59	15,268.27
6	4	8-oz Liquid measure	8,785	1.61	14,143.85
7	6	2-qt Serving pitcher	1,868	6.25	11,675.00
8	—	7" Pie plate	7,944	1.34	10,644.96
9	—	10-oz Deep pie dish, 4-pk	3,339	3.14	10,484.46
10	12	2-qt Casserole w/basket	883	11.65	10,286.95
11	—	6-cup Percolator	846	11.65	9,855.90
12	—	4-qt Bowl, Homestead	2,197	4.13	9,073.61
13	2	4-pc Bowl set, gold	747	11.65	8,702.55
14	—	6-cup Teapot	803	10.75	8,632.25
15	—	4-pc Bowl set, autumn harvest	846	9.89	8,113.14

Source: Bacar Inc. Distributors

Up 'n' Coming on the Coast

(Continued from page 39)

GLASSWARE

Libbey 24-pc set, Chivalry	1
Jeannette 26-pc pnch bwl st	6
Anchor Hocking 4-lb sq end jr	7
Libbey 6" piggy bank	9
Libbey 11-oz wh wn, Citation	10
Libbey 12-oz rd wn, Citation	11
Anchr Hckg 4-pc ic bk st, Wxf	12
Anchor Hckg 2-lb sq cdy jr	14

COOKWARE

Regal 10" skillet, SilverStone	1
Wear-Ever 10" chef frypn, Prm	4
Revere 12-qt stck pt, cppr cld	7
Revere 8-qt stock pot, cppr cld	8
Revere 2-qt hi-dme kttl, cppr	9
Revere 1-qt tea kettle, copper	10
Revere 16-qt pit, copper clad	11
Revere 3½-qt tea kttl, cppr btm	14
Revere 2-qt scepn, cppr cld	15

GADGETS

Range Kleen 8" rflct pn, GE	2
Swing-a-Way hd cn opr, hrv	3
Range Kleen 6" reflct pan, GE	4
Swing-a-Way hd cn opnr, chc	5
Tricolator 3½" Norelco fltr papr	6
OK 12" x 13" over-sink board	8
Range Kleen 8" reflct pan	10
Range Kleen 6" rflct pn, spr	11
Range Kleen 8" rflct pn, spr	12
Range Kleen 6" rflct pn	13

PLASTICS

Frigidaire ice cube tray	1
Republic 2-qt Freezette rfrg btl	4
Republic 6½-qt flat Freezette	5
Republic 3-qt flat Freezette	7
Republic Freezette cake srv	8
Republic ½-gl uprite Frztte st	10
Republic Freezette brd cont	11
Republic 2½-ltr Frztt II rd jr	12

CLEANING & CHEMICALS

Magla latex gloves, medium	4
Magla latex gloves, large	7
Magla latex gloves, small	9
Hoover dialmatic vacm bgs	10
Associates vacm bgs, uprite	11
Quickie automatic spg mop	13

BATH SHOP

Ekco 18" towel bar, chrome	6
Kellogg bowl brush, tampico	11
Selfix 18" towel bar	14
Ekco 18" towel bar, die cast	15

RUBBERMAID

Clean-up caddy	3
Single turntable, sand	6
Single turntable, gold	7
Cane shelf liner, chocolate	8
Cane shelf & drawer lnr, chc	10
15¾" Turntable	13
Cane shelf liner, gold	14

CORNING WARE

Grab-It set, 2-pc	2
Side-Kick	3
Grab-It set, 4-pc	4
6-cup Teapot, Spice	11
Menu-ette set, Cornflower	12
Microwave browning grill	14
10½4in Skillet, Spice	15

PYREX

7" Pie plate	8
10-oz Deep pie dish, 4-pk	9
6-cup Percolator	11
4-qt Bowl, Homestead	12
6-cup Teapot	14

Dryers With Asbestos Release It: CPSC

WASHINGTON—All of the hair dryers containing asbestos, studied by the Consumer Product Safety Commission, release asbestos, according to a commission spokesman.

Following reports earlier this year that many portable hair dryers pose a potential health hazard because of possible asbestos emission, the commission undertook its investigation. The first phase of the investigation has been completed and the results have been sent to two doctors at Mount Sinai hospital in New York City to measure the potential health hazards.

Final Results Expected

The commission spokesman would not reveal the amounts of asbestos released by the dryers or list brand or manufacturer names. According to a source close to the commission, however, every dryer containing asbestos was found to release a portion of the substance when the dryer was used. Final results are expected in about a month from the commission.

"Buyers stay Loyal to Transworld Show"
—Housewares, August 1979

Thank you to all the thousands of buyers who attend our semi-annual shows.
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Hardware Market Outlook: P. 26

Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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Interest Hikes Give K mart Edge in Expansion Race

Nationwide DSN Report

Crisis or opportunity?

Record-high interest rates are affecting retailers in different ways, slowing growth in some small chains that lack sufficient financial muscle to ride out the storm, but giving K mart its best opportunity since the 1974 shakeout to capitalize on its huge cash resources.

Other chains are making more use of lower-rate, tax-free industrial revenue bonds where possible, to maintain expansion plans into 1981; and inventories are being tightened even further, as manufacturers' terms become more restrictive, and the float is diminished.

Some effects of the rapidly rising interest rates are:

- Block Distributors, a small catalog chain with four outlets in the Philadelphia market, is postponing new showrooms until the loan rates come down.
- K mart is making a long-term tradeoff by planning to maintain its projected construction of more than 180 stores in 1980 and 1981. Chairman and ceo Robert E. Dewar explains:

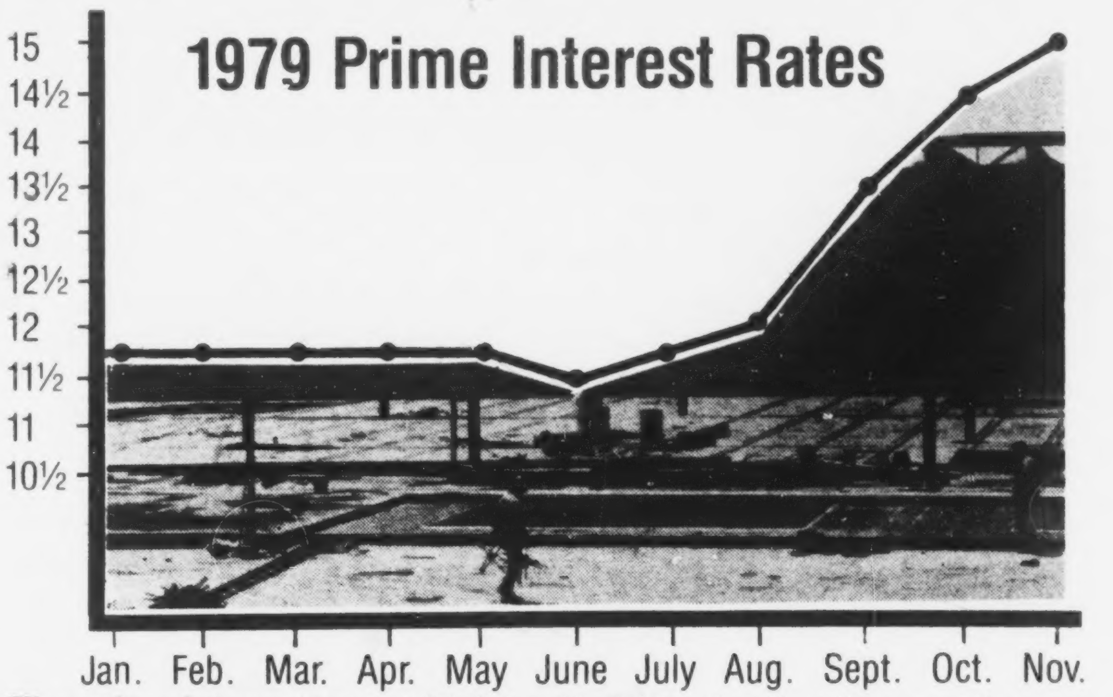
"The price of increased market share in retailing is, to some extent, a voluntary choice to forego present income to benefit even more in the future.

"We are prepared to accept the lower net profit margins inherent in such an expansion program, particularly in new geographic areas in order to achieve a growing national market share."

- Roses, a large regional chain in the Southeast, is looking for alternative financial resources, and may make more use of industrial development bonds where possible.

"We are intensifying our site searches in those counties and

(Continued on page 36)



The prime interest rate, which had held for the first five months near the 1974-75 high of 12%, has zoomed over 15% recently, shaking up chain growth plans. (Source: Chemical Bank)

8 Ward Stores in Florida To Get Jefferson Format

MIAMI—Seeing strong growth opportunities in its high-volume Jefferson units, Montgomery Ward will convert eight Florida Wards to Jefferson/Ward stores Jan. 1.

In another new development indicative of Jefferson's growing importance to Ward, Jefferson president David Kenny has been named a senior vp of Ward and member of its board of directors.

Jefferson was also reportedly among the retailers speaking with representatives of Vornado about acquisition of several Two Guys stores in the Philadelphia area, where Jefferson acquired eight former J. M. Fields stores earlier this year.

The explosion of Jefferson will take the chain from 11 units at the beginning of this year (it has already opened a 12th Jefferson and operates three Almart stores) to almost 40 in 1980, even if no further purchases are made.

"The company felt the Ward

(Continued on page 8)

Woolworth Unwraps 1st 8 J. Brannams; Seeks Consumer, Supplier Recognition

ARLINGTON, Tex.—F. W. Woolworth expects multiple dividends from its new J. Brannam unit here, but the fledgling off-price apparel chain still has obstacles ahead. Its buyers must broaden their market contacts, and the Brannam name and approach to brand name merchandising must gain consumer recognition.

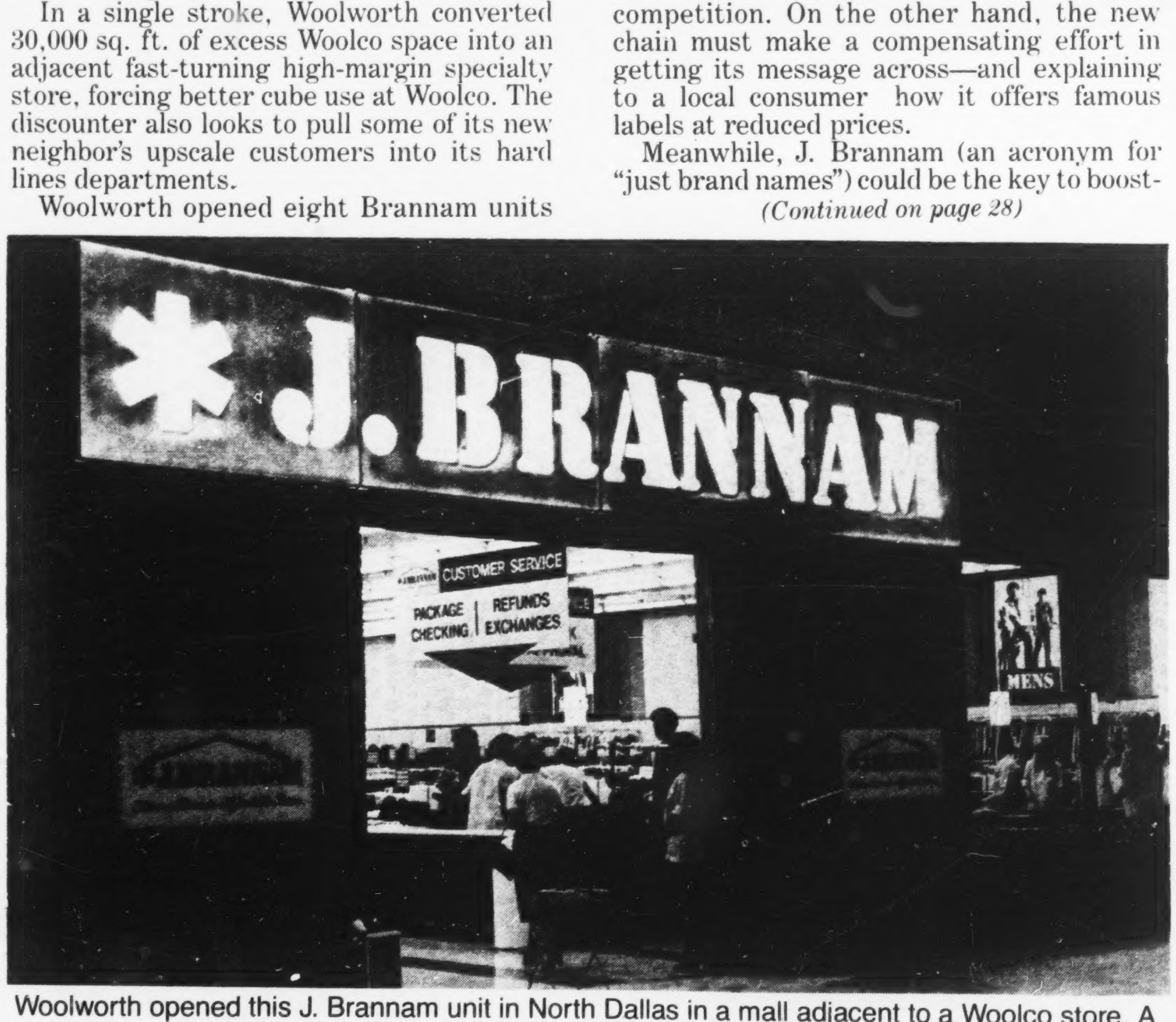
In a single stroke, Woolworth converted 30,000 sq. ft. of excess Woolco space into an adjacent fast-turning high-margin specialty store, forcing better cube use at Woolco. The discounter also looks to pull some of its new neighbor's upscale customers into its hard lines departments.

Woolworth opened eight Brannam units late last month—five in the Dallas market and three in Oklahoma City, which should increase the visibility of off-price retailing in the Southwest.

This region has not seen the proliferation of stores like Marshalls or Hit or Miss (particularly strong in the Northeast), and Brannam should benefit from the lack of direct competition. On the other hand, the new chain must make a compensating effort in getting its message across—and explaining to a local consumer how it offers famous labels at reduced prices.

Meanwhile, J. Brannam (an acronym for "just brand names") could be the key to boost-

(Continued on page 28)



Woolworth opened this J. Brannam unit in North Dallas in a mall adjacent to a Woolco store. A total of five units premiered in the Dallas market and three opened in Oklahoma City. (DSN photo)

Fuel Saving and DIY Spark APAA Show

CHICAGO—Fuel saving and do-it-yourself were the dominant themes of this year's Automotive Parts and Accessories Association show.

Few new products were displayed by manufacturers, and merchandisers for discount chains seemed to concentrate on new lines of polymer polishes offered by several companies.

"One thing we really want to look over while we're here are the poly waxes," said George Richardson, hard lines merchandise manager for Mr. Wiggs.

Among the exhibitors offering such products to retailers for the first time were Polyglycoat, which previously worked only through new-car dealers, and Turtle Wax.

Bernie Zirnheld, auto buyer for Ayr-Way, said he plans to introduce in his stores next spring both Turtle's PolyShell and Blue Coral's Blue Poly. While Ayr-Way will discount both products, its price points of almost $20 represent a tremendous jump from the $4-$5 for most premium waxes.

"With the kind of ad support Turtle Wax will give and with the Turtle name, you almost have to carry that product. People will come in and ask for it, so you better have it. I think it will sell, even with the relatively high price," he said.

Tim Crager, the buyer at Heck's, said he, too, will probably add at least one polymer

(Continued on page 5)

Discounting Week

LURIA SWITCHES. L. Luria & Son has switched from Creative Merchandising to Mutual Merchandising, thereby becoming the second Creative member to leave the group (Service Merchandise was the first), and the first to join another coordinator. A Luria executive cited increased direct competition among Creative members in Florida as a factor. (More details, next issue.)

TARGET: AUSTIN. Target plans to move into Austin, Tex., with two stores in the fall of 1980, each 100,000 sq. ft. The chain will focus on the Southwest in its growth plans.

CALDOR EXPANSION. Caldor at presstime opened an 85,000-sq.-ft. store in Schenectady, N.Y., as its entry into the upstate New York area. Its other 12 New York stores are in the downstate area in six counties north of New York City.

NEW CLARKINS HEAD. Arthur Blackburn, formerly president and ceo of Lafayette, has been named president and ceo of the Clarkins division of Unishops, succeeding Elza Hopkins who will retire in March.

GIBSON'S GMM. Ed Kaiser has been named general merchandise manager of Gibson's, whose 41 company-owned stores are being revamped under the five-month-old presidency of John Lundegard. Kaiser had been exec vp of Margies Apparel Shops.

3 More Nichols Stores Ready DIY Centers

GREENVILLE, N.C.—In a move that will boost store volumes 15% to 20%, S. E. Nichols will open three home improvement centers in the next six weeks, similar to the new unit here.

New home improvement centers will open in Greenville, S.C., where Nichols is set to open a former J. M. Fields store by the end of this month, and in Harrisonburg, Va., and Martinsburg, W. Va., by the end of the year.

S. E. Nichols has taken over adjacent supermarkets in the Virginia and West Virginia sites to make room for the home improvement centers.

"We want to get every store on a chainwide program of home improvement centers," said the chain's hard lines mm Irwin Levine, "because more people are going the DIY route rather than pay a contractor for it. We're firmly committed to the concept."

Nichols has already converted 24 of its 41 stores to include home improvement centers, ranging from 18,000 to 30,000 sq. ft. The centers add 15% to 20% to each store's total volume, although Levine suggested that 15% is a conservative figure.

The Greenville, N.C., unit is typical of the home improvement centers. At 20,000 sq. ft., it is the average size and was installed at the end of July as an addition to the 100,000-sq.-ft. store.

Space and stock were more than doubled; the old hardware department ran 8,000 sq. ft. Categories added included storm doors and windows, hot water heaters, bedding and other furniture, sheetrock, paneling, moulding and lumber.

Paint and electrical sections were expanded by 40 ft. each (electrical now has four 24-ft. runs). Hand tools were tripled from the former 24-ft. run, and mailboxes were given 16 ft. (they occupied 4 ft. prior to the addition).

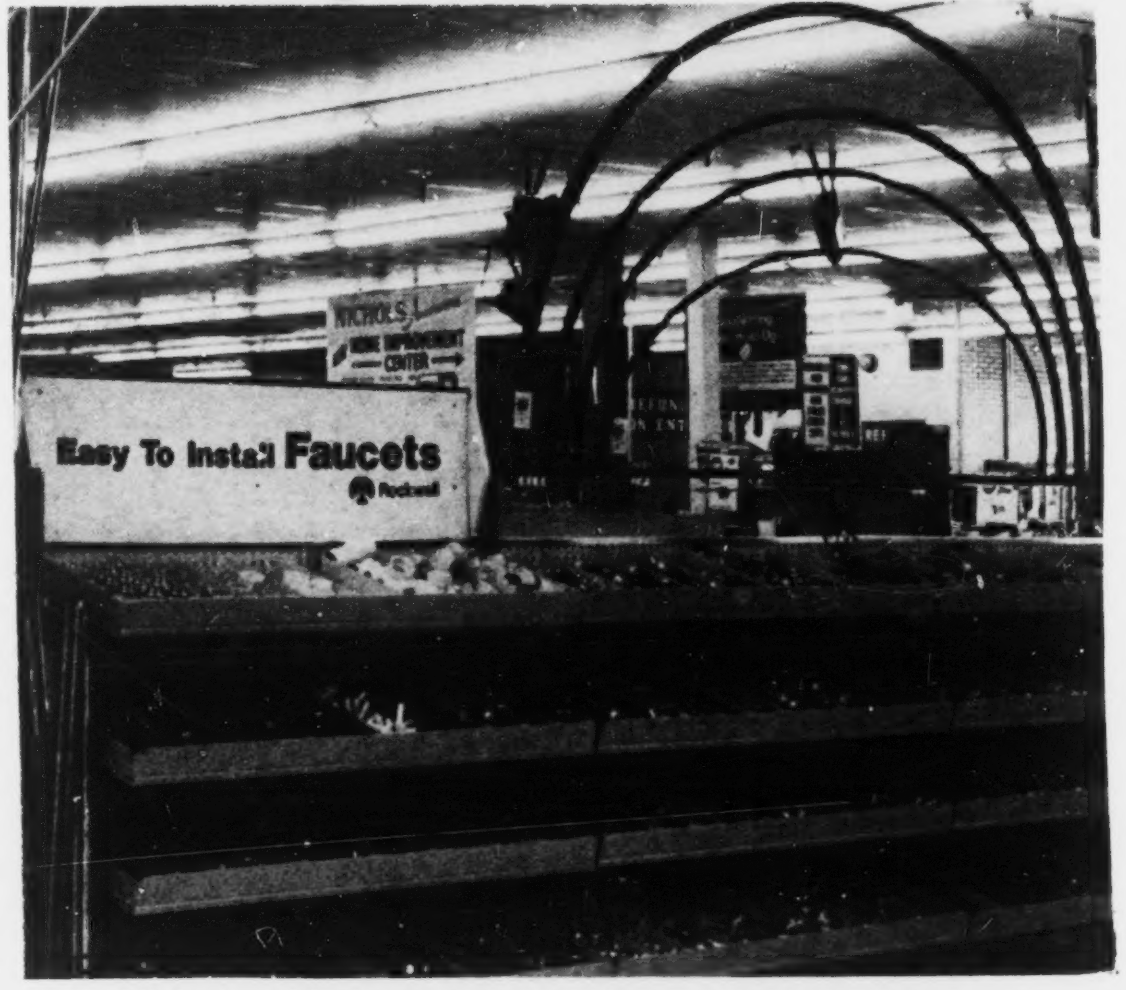
Plumbing, which had consisted of a small blister-pack program, was given two 40-ft. runs and now includes open stock. Levine said the chain found that "customers like to feel the item in open stock, whether it's a Y joint or any plumbing item."

Store manager Doug Locklear said his store is near the 15% mark in increased volume after the addition, although "you need greater momentum to get going because of shopping habits the customers had already developed."

Locklear is in an area loaded with competition. Home center Moore's, with roughly 30,000 sq. ft. of lumberyard and 15,000 sq. ft. of store space, is adjacent to the Nichols store. Home center chains Lowe's and Wickes are also represented, with Wickes only ¼ mile away.

Two large independents are also in Greenville, and K mart

(Continued on page 16)



S. E. Nichols added open stock to its smaller blister-pack program in plumbing when 20,000 sq. ft. was added to this Greenville, N.C., store as a home improvement center. (DSN photo)

Vitamins Hot, Gulp More Store Space; PL Gains

Nationwide DSN Report

Unit sales increases in excess of 20% a year are causing chains to devote more space to vitamins, although thin margins have led to more private labeling by chains.

Discounters including K mart, Target, Korvettes, FedMart, Bradlees, Jefferson, Murphy's Mart and Heck's have developed private label vitamins, although the range of product varies.

Heck's stocks private label as 25% of its vitamin mix, with national brands accounting for 75%. Korvettes, meanwhile, stocks nearly 70% of its mix in private label. At FedMart, a spokesman said private label accounts for 95% of sales.

The category is ideal for a private label program because margin opportunities will be maximized by high turns. The merchandise turns seven to eight times a year, well above the H&BA department average.

While margins on vitamins generally run 25%, a home brand can boost this by more than 10 points. Some discounters, such as Korvettes and Jefferson, give their home brand high visibility in promotions. Others prefer to maintain margins and use the national brands as a traffic draw.

A spokesman at S. E. Nichols, which uses a controlled la-

(Continued on page 37)

Report on Consumables:

Candy Bar Biz Up to Par But Bags Lag

Nationwide DSN Report

Candy bar sales are holding their own, and increasing in some chains—but traffic in bag candies and chocolate has dropped off, according to recent buyer reports.

Other trends in the low-margin, fast-turn consumable category include:

- Soda pop and noncarbonated beverages are still seasonal or promotional items, but that situation is changing as suppliers develop programs geared to discount chains;
- Natural foods have not really caught on yet;
- Gum and sugarless items are doing surprisingly well;
- Rising costs are keeping profits down in paper goods—and if this trend continues, chains that only promote paper may get out of this business.

Claudia Stompananato, candy buyer for Chicago's Community chain, spoke for a consensus when she said that "candy sales are in single bars,

(Continued on page 35)

In Our Next Issue . . .

MASS WITH CLASS. DSN's annual discount chain profile focuses on Bradlees, the classy mass merchandising arm of supermarket giant Stop & Shop. Exclusive in-depth interviews with Bradlees and Stop & Shop executives in every department and division uncover the secrets of Bradlees' success. How does the parent corporation's buying clout help Bradlees against stiff competition in New England? What does the recent move into Virginia signify? Why does home decor get so much attention at Bradlees, while some hard lines get more modest investments of inventory and space? DSN's exclusive Bradlees profile digs into one of the leading tradeup chains, and puts it all in perspective—in our next issue.

Spotlight on: Bare-Bones Approach

The Real Frill Of It All Is The Prices

DALLAS—Woolworth's new J. Brannam specialty store adopted a no-frill approach typical of stores like Marshalls, Loehmann's and Hit or Miss that pioneered off-price apparel merchandising.

While newer outlets have experimented with upgraded decor, Brannam held to the wisdom that low overhead permits the lowest retail prices and contributes to profitability.

"The brands speak for themselves," said the store manager here.

Brannam has fashioned itself most closely after Marshalls—store sizes (20,000 to 30,000 sq. ft.) and department adjacencies are almost identical. (DSN photo)

MENS
J. BRANNAM
MEN'S WEAR

In This Issue...

SHORTAGE CONTINUES. Lack of Black & Decker product, which has already affected chains' Christmas promotion plans, will cause hardware buyers more problems into the spring. High interest rates are another headache, and DSN's hardware coverage focuses on how various chains are coping with the situation. (P. 26)

TRADE-UPS UP. High-end merchandise scored in the latest housewares PMA. This survey, covering the period Aug. 3 to Sept. 21, showed that retailers anticipate shoppers' desire for more fashionable items for the holiday season. How does your chain's performance compare with these findings? (Pp. 19-25)

WHAT'S IT WORTH? In this issue, the Discounter Management Development Series focuses on the problem of evaluating inventory, comparing the cost method and the retail method. Touche Ross' Leslie Chick shows the limitations of one and the advantages of the other in this DSN exclusive. (Pp. 15-16)

SPECIALTY CHALLENGE. Off-price apparel stores, such as Marshalls and the new J. Brannam, have recently been gaining market share at the expense of the traditional discounter. By offering name brands at a cut price, these new merchandisers have created problems for many of their competitors, including upscale discounters. Learn how Bradlees and Target are reacting to the specialty threat. (P. 28)

U-PAK, WE PACK. K mart has opened a new U-Pak box store in Pontiac, Mich., with prices 10%-30% below normal supermarkets. But Kroger, its chief competitor in the area, is not exactly giving up. DSN coverage also indicates possible weak points in the K mart concept. Compare the shelf and unit prices for yourself, then decide if the savings U-Pak offers outweigh the limited assortment. (Pp. 3, 30-31)

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Vol. 18, No. 23 Nov. 19, 1979

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Trade-up Gains As Stores Map Holiday Drives

By Harold Rubin
President,
HalMar Distributors Inc.

Traded-up housewares—such as glassware in the Mr. Pro line, and brass and chrome bath shop items—showed up strong in the Product Movement Audit for Aug. 3-Sept. 21 as discounters and other retailers geared for the holiday entertaining and gift-giving action.

The appearance of high-end merchandise was evident both in the staple housewares that dominated the report and in the handful of glassware goods that comprised the only new items to make the chart.

Only seven glassware items were new to the PMA, and they included such high-end goods as 8-packs of 12-oz. beverageware in the Summer pattern for an average retail of $6.83 (No. 9 on the chart); in the Oriental design, $7.10 (No. 17), and in the Gold Savoy pattern, $6.11 (No. 31).

The appearance of the three new designs reflected consumer interest in having new

(Continued on page 20)

Figures supplied by HalMar Distributors, Holyoke, Mass., cover 500 stores, including 400 full-line discount department stores from New England to the Carolinas. Average retail prices listed by the distributor reflect typical price points for discount clients.

HOUSEWARES

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
GLASSWARE					
1	—	16-pc Beverage set, Newport Crystal	1.130	12.15	13.729.50
2	—	16-pc Bev set, Newport Honey Gold	486	12.15	5.904.90
3	11	9-oz Bev, Regency	10.440	0.44	4.593.60
4	10	6½-oz Wine, Mr Pro	918	4.76	4.369.68
5	—	Wine, Noblese, 4-pk	876	4.67	4.090.92
6	47	12-oz Bev, Blue Bolero	9.144	0.44	4.023.36
7	—	8-oz White wine, Chivalry	2.801	1.43	4.005.43
8	12	8½-oz Wine, Mr Pro	840	4.76	3.998.40
9	—	12-oz Bev, Summer, 8-pk	558	6.83	3.811.14
10	9	12½-oz Bev, Wheat Spray, 8-pc	492	7.73	3.803.16
11	14	6½-oz Tall wine, Citation, 4-pk	751	4.94	3.709.94
12	19	11-pc Table service set, Prescut	380	9.71	3.689.80
13	—	Goblet, Noblese, 4-pk	786	4.67	3.670.62
14	—	12-oz Bev, Wheat	6.264	0.53	3.319.92
15	34	16-oz Cooler, Blue Bolero	6.192	0.53	3.281.76
16	6	4-pc Mug set, green trim	440	7.15	3.146.00
17	—	12-oz Bev, Oriental, 8-pk	438	7.10	3.109.80
18	5	4-pc Mug set, gold trim	432	7.15	3.088.80
19	23	12-oz Bev, Gold Aster, 4-pk	996	2.87	2.858.52
20	27	9″ Bud vase, Prescut	3.960	0.71	2.811.60
21	18	6½-oz Wine, Tawny Accent, 4-pk	570	4.85	2.764.50
22	26	16-oz Cooler, Tawny Accent, 4-pk	894	3.05	2.726.70
23	22	Chip 'n Dip set, Prescut	463	5.84	2.703.92
24	16	4″ Ashtray, gold	4.308	0.62	2.670.96
25	17	Ranson soup	2.664	0.98	2.610.72
26	—	13½″ Canister	852	3.05	2.598.60
27	28	16-oz Cooler, Gold Aster, 4-pk	762	3.32	2.529.84
28	—	80-oz Pitcher, Wheat	768	2.96	2.273.28
29	39	10½-oz Wine, Mr Pro	474	4.76	2.256.24
30	20	9″ Bud vase, milk white	3.168	0.71	2.249.28
31	—	12-oz Bev, Gold Savoy, 8-pk	360	6.11	2.199.60
32	8	Mug, Coach	1.226	1.79	2.194.54
33	32	11¼-oz Goblet, Tawny Accent, 4-pk	450	4.85	2.182.50
34	—	12-oz Goblet, Chivalry	1.512	1.43	2.162.16

(Continued on page 20)

East Coast Hot Movers

The following "High Risers" charts products (and their rank) that have moved up five or more places from the previously published HalMar PMA report. In addition, under the heading "New Items" are products (and their rank) that are appearing for the first time on the report.

Category/Item	$ Rank
HIGH RISERS	
Glassware	
9-oz Bev, regency	3
6½-oz Wine, Mr. Pro	4
Wine, Noblese, 4-pk	5
12-oz Bev, Blue Bolero	6
8-oz White wine, Chivalry	7
11-pc Table srvc st, Prescut	12
Goblet, Noblese, 4-pk	13
12-oz Bev, Wheat	14
16-oz Cooler, Blue Bolero	15
9″ Bud vase, Prescut	20
13½″ Canister	26
10½-oz Wine, Mr. Pro	29
12-oz Goblet, Chivalry	34
4½-oz Sour, Mr. Pro	36
12-oz Goblet, Mr. Pro	37

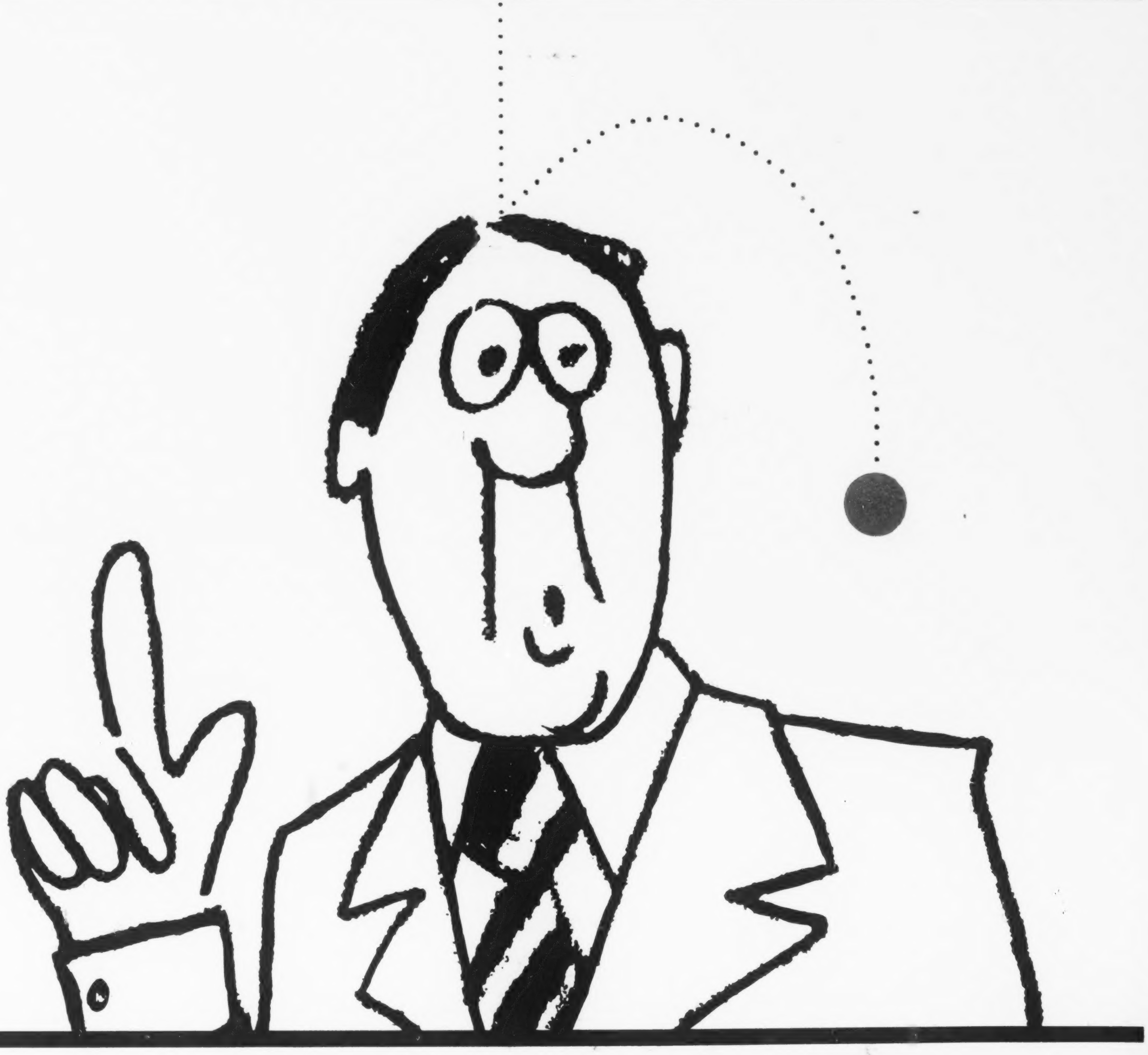
(Continued on page 20)

Build hand cleaner sales

DL
Lotion Hand Cleaner
Lotion Hand Cleaner
DL
Hand Cleaner
Hand Cleaner
have PROUD HANDS hand cleaner

New DL hand cleaners bring customers back…they do the tough jobs other products can't handle. Trounce with grit, unlike any other hand cleaner, opens the door to additional sales. Have Proud Hands lotion cleaner was specifically developed for the do-it-yourself market. Both feature a dispenser in every package. They join the industry standard "DL blue label" for a complete line for every job. Dramatic free P.O.P. displays, strong co-op ad program give you a total program to build hand cleaner traffic and repeat sales. Get all the facts from your distributor or call us direct at 716-853-4700.

DL-Banite Group
Banite Inc.
Buffalo, New York 14204
Toronto, Ontario M8Z 2R4



What flash has the most advertising?

Sylvania Blue Dot™ has always been out in front. And we're first again this year in flash advertising.

You'll see our Blue Dot campaign creating red-hot interest over network TV and in national magazines. With strong selling messages. And with store coupon and refund offers that customers will find irresistible. It's the kind of advertising that has kept Blue Dot the number-one best seller across the country. And across your counter.

To clinch sales for you, we've got regular promotions plus colorful, eye-catching displays to build traffic during special selling seasons.

With all this, you won't have to give a thought to how well your Blue Dot sales are going. Because you'll get plenty of reminders at the check-out.

SYLVANIA Blue Dot | GTE

HOUSEWARES

(Continued from page 19)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
GLASSWARE					
35	29	12-oz Bev, Gld Country Garden, 4-pc	3,480	0.62	2,157.60
36	—	4½-oz Sour, Mr Pro	438	4.76	2,084.88
37	45	12-oz Goblet, Mr Pro	438	4.76	2,084.88
38	30	7-pc Table service set, Prescut	268	7.73	2,071.64
39	—	11-oz White wine, Citation, 4-pk	414	4.94	2,045.16
40	46	Butter dish w/cover, Prescut	1,908	1.07	2,041.56
41	36	12-oz Bev, Tawny Accent, 4-pk	756	2.69	2,033.64
42	50	4-lb Apoth jar, Fountain Square	1,074	1.88	2,019.12
43	31	Ranson St. Den cup	3,240	0.62	2,008.80
44	—	6½-oz Sherbet, Mr Pro	420	4.76	1,999.20
45	—	10¾" Canister	792	251	1,987.92
46	—	14-oz Mug, Chug-A-Mug	1,848	1.07	1,977.36
47	—	16-oz Cooler, Crown Point 4-pc	558	3.50	1,953.00
48	24	12-oz Bev, Petite	3,132	0.62	1,941.84
49	—	6-oz Juice, Gold Bolero	4,312	0.44	1,897.28
50	—	4½-oz Cocktail, Mr Pro	384	4.76	1,827.84
COOKWARE					
1	9	3-pc Scpn/skil set, gl/cer, blue	5,497	16.19	88,996.43
2	10	6-cup Teapot, gl/cer, brown	4,136	13.05	53,974.80
3	5	2-pc Dish set, gl/cer	8,489	5.39	45,755.71
4	15	6-cup Teapot, gl/cer, floral	3,357	13.05	43,808.85
5	17	3-pc Scpn/skil set, gl/cer, brown	2,000	20.69	41,380.00
6	29	3-pc Scpn/skil set, gl/cer, floral	1,882	20.69	38,938.58
7	—	4-pc Mix bowl set, glass, gold	2,996	11.65	34,903.40
8	44	4-pc Mix bowl set, glass, green	2,216	11.65	25,816.40
9	—	4-pc Mix bowl set, glass, brown	2,180	11.65	25,397.00
10	—	12¼" Open roaster, gl/cer, brown	1,518	16.42	24,925.56
11	—	7" Pie plate, glass	14,664	1.61	23,609.04
12	—	12¼" Open roaster, gl/cer, floral	1,158	16.42	19,014.36
13	—	9-pc Cookware set, metal, SilverStone	223	69.29	15,451.67
14	4	3-qt Bake dish, glass w/basket	897	11.65	10,450.05
15	11	3-qt Oblong bake dish, glass	2,560	4.04	10,342.40
16	16	6-cup Teapot, gl/cer, blue	886	11.65	10,321.90
17	13	2-qt Casserole, glass w/basket	750	11.65	8,737.50
18	—	6-cup Teapot, gl/cer, Meadow	654	13.05	8,534.70
19	12	3-pc Mix bowl set, gl, gold	981	8.05	7,897.05
20	—	6½" Skillet, gl/cer, floral	1,752	4.49	7,866.48
21	14	3-pc Scpn/skil set, gl/cer, brown	230	34.19	7,863.70
22	—	12¼" Open roaster, gl/cer, blue	510	15.07	7,685.70
23	22	3-pc Scpn/skil set, gl/cer, floral	197	34.19	6,735.43
24	18	3-pc Mix bowl set, glass, brown	796	8.05	6,407.80
25	19	2-pc Bowl w/handle set, gl/cer	765	8.09	6,185.85
26	20	2-qt Oblong bake dish, glass	1,569	3.59	5,632.71
27	24	3-qt Saucepan, gl/cer, blue	388	14.35	5,567.80
28	23	3-qt Saucepan, gl/cer, brown	339	15.75	5,339.25
29	—	2-qt Oblong bake dish, glass w/basket	1,301	4.04	5,256.04
30	—	2" deep Tin cooky sheet, nonstick	2,134	2.42	5,164.28
31	8	3-pc Mix bowl set, glass, green	584	8.05	4,701.20
32	49	1" deep Tin cooky sheet, nonstick	1,741	2.69	4,683.29
33	—	3-pc Saucpn w/hndle set, gl/cer, floral	214	20.69	4,427.66
34	34	10" Skillet, gl/cer, brown	288	15.25	4,392.00
35	—	3-pc Scpn w/hndle set, gl/cer, blue	247	17.09	4,221.23
36	28	2½"-deep Dispos alum foil roaster	2,831	1.43	4,048.33
37	27	6-oz Custard cup, glass, 4-pk	1,584	2.51	3,975.84
38	—	12" Fry pan, aluminum, nonstick	258	15.29	3,944.82
39	—	6-oz Custard cup, glass, amber, 4-pk	1,302	2.96	3,853.92
40	—	12-cup Muffin pan, nonstick	1,305	2.92	3,810.60
41	—	3-pc Casserole set, glass, gold	282	13.45	3,792.90
42	32	10" Fry pan, aluminum, nonstick	277	13.49	3,736.73
43	36	8" Sq cake pan, glass, amber	1,032	3.59	3,704.88
44	46	9½" Pie plate, glass, amber	1,518	2.42	3,673.56
45	6	Microwave browning grill, gl/cer	189	19.35	3,657.15
46	—	8-pc Bakeware set, glass	268	13.45	3,604.60
47	37	9" Pie plate, glass	2,004	1.79	3,587.16
48	—	3-qt Saucepan, gl/cer, floral	225	15.75	3,543.75
49	42	3-pc Bake, serve set, glass, gold	324	10.75	3,483.00
50	40	9½" Pie plate, glass	1,680	2.06	3,460.80

(Continued on page 25)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Trade-up Gains

(Continued from page 19)

looks for the basic 12-oz. tumblers used for entertaining.

Merchandising for holiday entertaining was also behind the first-time showing of two 16-pc. glassware sets that were priced at a $12.15 average retail, ranked No. 1 and 2.

Accidental breaking of glasses during "open-house" entertaining is common, and shoppers are always looking for sets at lower price points for use during the holidays.

But the movement of higher-end glassware reflects shoppers' desire to use more fashionable items at intimate celebrations.

Mr. Pro is a high-end home bartender and wineglass set line, and seven 4-pack offerings ranging from 4½-oz. sour glasses to 10½-oz. wineglasses made the report. The average retail for the set is $4.76.

On an item basis, an 8-oz. white wineglass in the trade-up Chivalry pattern was No. 7, while a 12-oz. Chivalry goblet was No. 34.

Holiday entertaining was also behind such items as a chip 'n' dip set (No. 23) and an 80-oz. pitcher in the Wheat pattern (No. 28), the latter a new item.

The trade-up interest evident in the bath shop included such items as a brass 18" towel bar with an average retail of $8.72 as No. 16; 18" towel bar set in chrome, $7.01, No. 14, and 24" towel bar set in chrome, $7.64, No. 17.

The average retails for these three items is four and five times more than the tag for the metal and plastic towel bars that comprise most of the listing.

Gadgets are a very basic category with little trade-up merchandise geared for discount

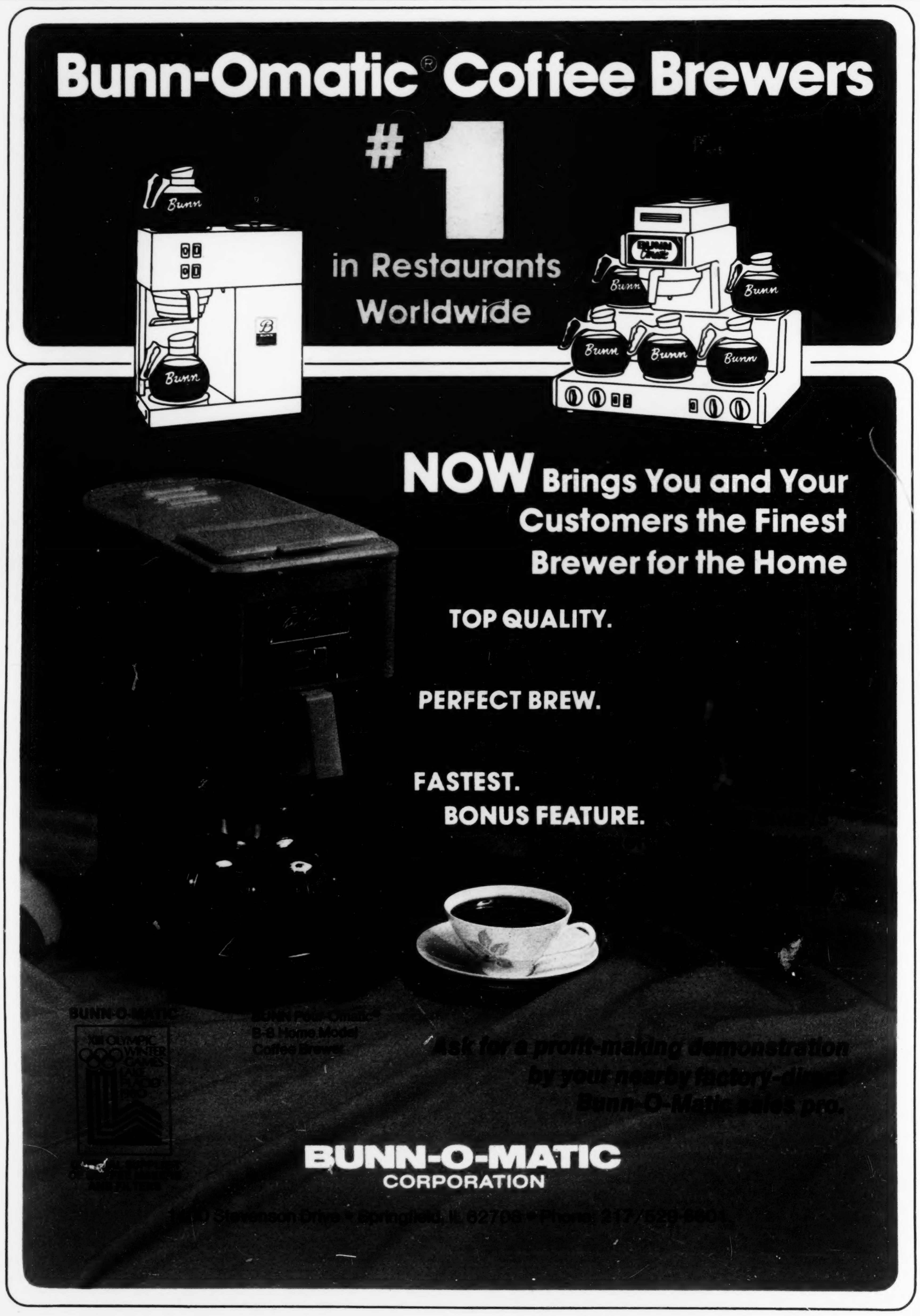
(Continued on page 25)

Hot Movers

(Continued from page 19)

11-oz Wht wine, Citation, 4-pk	39
Butter dish w/cover, Prescut	40
4-lb Apoth jar, Fountain Sq	42
6½-oz Sherbet, Mr. Pro	44
10¾" Canister	45
16-oz Cooler, Crn Pt, 4-pk	47
6-oz Juice, Gold Bolero	49
4½-oz Cocktail, Mr. Pro	50
COOKWARE	
3-pc Scpn/skil set, gl/cer, blue	1
6-cup Teapot, gl/cer, brown	2
6-cup Teapot, gl/cer, floral	4
3-pc Scpn/skil set, gl/cer, brn	5
3-pc Scpn/skil set, gl/cer, flrl	6
4-pc Mix bowl set, gl, gold	7
4-pc Mix bowl set, gl, green	8
4-pc Mix bowl set, gl, brown	9
12¼" Open roaster, gl/cer, brn	10
7" Pie plate, glass	11
12¼" Open roaster, gl/cer, flrl	12
9-pc Ckwr st, mtl, SilverStone	13
6-cup Teapot, gl/cer, Meadow	18
6½" Skillet, gl/cer, floral	20
12¼" Open roaster, gl/cer, blue	22
2-qt Obl bake dish, gl w/bskt	29
2"-dp Tin cooky sht, nonstick	30
1"-dp Tin cooky sht, nonstick	32
3-pc Scpn w/hndl st, gl/cer, flrl	33
3-pc Scpn/skil set, gl/cer, blue	35
12" Fry pan, alum, nonstick	38
6-oz Cstrd cp, gl, ambr, 4-pk	39
12-cup Muffin pan, nonstick	40
3-pc Casserole set, gl, gold	41
8-pc Bakeware set, glass	46

(Continued on page 25)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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Trade-up Gains

(Continued from page 20)

store merchandising. Step-up action that focuses on gourmet gadgets has so far been more successful in conventional department stores and specialty stores.

But the opportunity for trade-up is there, as is seen in the three glass-ceramic cutting boards which captured the top gadget spots. This merchandise has average retail price points ranging from $12.59 to $18.89.

High-end Staples

Cookware is the prime basic housewares category where high-end items are staple merchandise. But even here step-up items captured more listings. One example was a nine-piece metal cookware set with a SilverStone finish carrying a $69.29 average retail that showed up as No. 13.

Four different three-piece glass-ceramic saucepan and skillet sets, each with average retails of more than $20, made the report, along with one three-piece glass-ceramic saucepan-with-handle set, also with more than a $20 average

Despite all this trade-up activity in cookware and even glassware, lower-end staples continued to be important. In cookware, 27 out of the 50 items listed on the PMA had average retails of under $10. In glassware, 12 bulk beverageware listings had average retails of under $1.

Hot Movers

(Continued from page 20)

3-qt Saucepan, gl/cer, floral	48
GADGETS	
Cutting board, gl/cer, lrg, brn	1
Cutting board, gl/cer, lrg, flrl	2
Cutting brd, gl/cer, sml, brn	3
Colander strainer	7
Rolling pin	14
Egg beater, six-wings	16
Grater	20
BATH SHOP	
12" Towel bar, metal	3
24" Twin towel bar, metal	8
18" Towel bar, brass	16
24" Towel bar set, chrome	17
NEW ITEMS	
GLASSWARE	
16-pc Bev set, Nprt Crystal	1
16-pc Bev set, Nprt Hny Gld	2
12-oz Bev, Summer, 8-pk	9
12-oz Bev, Oriental, 8-pk	17
80-oz Pitcher, Wheat	28
12-oz Bev, Gold Savoy, 8-pk	31
14-oz Mug, Chug-A-Mug	46

Jamesway Drive Raises $369,242 For MDA

SECAUCUS, N.J.—Jamesway has raised $369,242 for the 1979 Muscular Dystrophy Association drive, according to George Irish, a chain vice president.

He said that Jamesway exceeded its campaign goal by $20,000, and that the total represents the largest single sum presented to MDA by a corporate contributor headquartered in the Northeast.

HOUSEWARES

(Continued from page 20)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
GADGETS					
1	—	Cutting board, gl/cer, large, brown	918	18.89	17,341.02
2	—	Cutting board, gl/cer, large, floral	654	18.89	12,354.06
3	—	Cutting board, gl/cer, small, brown	921	12.59	11,595.39
4	1	1-cup Liquid measure	5,844	1.61	9,408.84
5	3	Hand can opener, gear drive	1,981	3.14	6,220.34
6	2	1-pt Liquid measure	2,577	2.06	5,308.62
7	14	Colander strainer	1,683	2.69	4,527.27
8	9	Hand can opener w/piercer	3,527	1.16	4,091.32
9	5	3" Parer	3,415	1.16	3,961.40
10	4	1-qt Liquid measure	1,359	2.69	3,655.71
11	8	Disposal alum foil oven liner	2,099	1.70	3,568.30
12	7	Hand can opener w/bttl opener	4,205	0.80	3,364.00
13	6	Timer, white	500	5.66	2,830.00
14	21	Rolling pin	730	2.96	2,160.80
15	19	5" Utility knife	1,360	1.52	2,067.20
16	—	Egg beater, six-wings	739	2.79	2,061.81
17	15	Hand can opener	694	2.96	2,054.24
18	16	Timer, gold	360	5.66	2,037.60
19	13	Boning knife, Collectable	326	6.25	2,037.50
20	—	Grater	1,616	1.25	2,020.00
21	11	Peeler	3,255	0.62	2,018.10
22	10	Hand can opener, plastic handle	1,114	1.79	1,994.06
23	18	Food chopper	992	1.97	1,954.24
24	12	6" Range reflector	1,402	1.35	1,892.70
25	20	8" Range reflector	999	1.80	1,798.20
BATH SHOP					
1	1	Portable shower spray	483	8.55	4,129.65
2	3	18" Towel bar, metal	1,540	1.79	2,756.60
3	8	12" Towel bar, metal	1,457	1.70	2,476.90
4	7	Shampoo spray	1,269	1.88	2,385.72
5	6	Twin hook, plastic, 4-pk	1,957	1.07	2,093.99
6	2	Toilet tissue holder, metal	1,166	1.79	2,087.14
7	9	24" Towel bar, metal	962	2.15	2,068.30
8	13	24" Twin towel bar, metal	657	2.78	1,826.46
9	11	24" Towel bar, plastic	864	1.79	1,546.56
10	12	Hooks, plastic, 4-pk	1,226	1.25	1,532.50
11	4	Toilet tissue holder, plastic	1,133	1.34	1,518.22
12	15	Wall soap dish, plastic	1,226	1.16	1,422.16
13	14	2 Hooks, plastic	1,975	0.71	1,402.25
14	16	18" Towel bar set, chrome	198	7.01	1,387.98
15	10	18" Towel bar, plastic	853	1.61	1,373.33
16	22	18" Towel bar, brass	156	8.72	1,360.32
17	23	24" Towel bar set, chrome	162	7.64	1,237.68
18	18	18" Twin towel bar, metal	490	2.51	1,229.90
19	21	12" Towel bar, plastic	805	1.52	1,223.60
20	24	Toothbrush/tumbler holder, plastic	912	1.34	1,222.08
21	19	Toothbrush/tumbler holder, plastic	1,050	1.16	1,218.00
22	20	Bath tub appliques	1,122	1.07	1,200.54
23	25	Towel ring, plastic	620	1.88	1,165.60
24	5	Toilet tissue holder, metal	717	1.61	1,154.37
25	17	Towel ring, plastic	859	1.34	1,151.06

Source: HalMar Distributors

Circus World Realigns Buyers

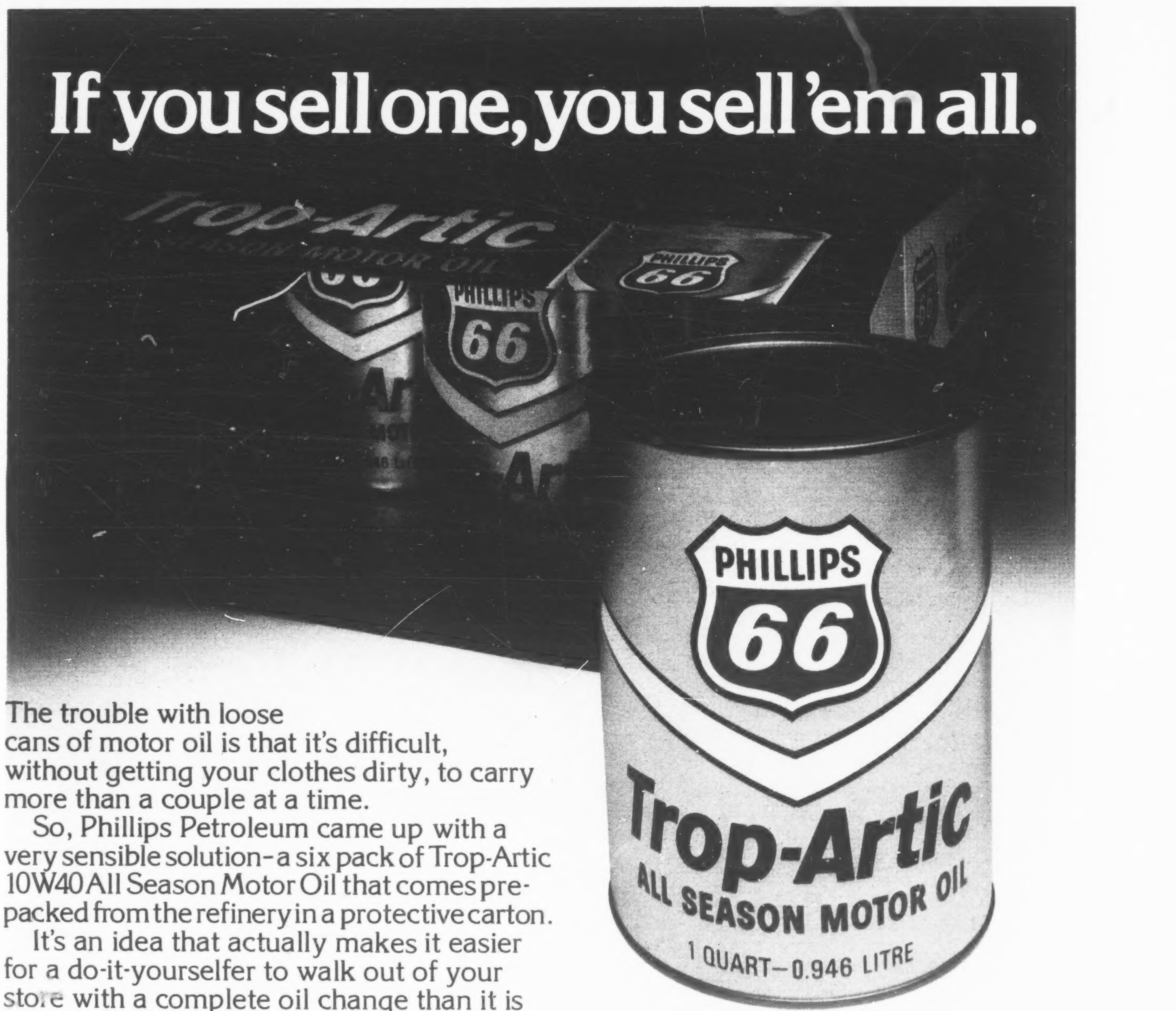
TAYLOR, Mich.—Circus World Toy Stores has announced a realignment of buying responsibilities.

Bruce Gierz will assume responsibilities for novelties, games, arts and crafts, educational, electronics, Christmas, Easter, Halloween and hobbies.

Ray Vigh will buy rack toys, preschool, plush, nonriding vehicles, sporting goods, snow and summer categories.

Bob Goldstein, newly appointed vice president of merchandising, will also assume buying responsibilities for dolls, activity toys, action figures, bulk toys and ridems.

Philip Bloom, senior vice president, will continue to buy closeouts.



The trouble with loose cans of motor oil is that it's difficult, without getting your clothes dirty, to carry more than a couple at a time.

So, Phillips Petroleum came up with a very sensible solution–a six pack of Trop-Artic 10W40 All Season Motor Oil that comes pre-packed from the refinery in a protective carton.

It's an idea that actually makes it easier for a do-it-yourselfer to walk out of your store with a complete oil change than it is to buy two or three cans.

Naturally, selling motor oil in multiples of six means higher turnover and higher profits for you.

The Trop-Artic 6-Pak is pre-packed at the refinery.

And Trop-Artic 6-Paks have many other important advantages, too. They're delivered four 6-Paks to a master case for easier handling through your warehouse. And because you can stock up, stack up, ring up, and sack up six cans at a time, your operating costs go down.

Your motor oil display will also be more attractive. That's because Trop-Artic 6-Paks stack squarely and solidly, reduce soiling and staining, and grab attention with bright eye-catching 4-color graphics.

For more information, talk to a member of our Trop-Artic Sales Force or contact Lubricants Marketing Developments Section, Phillips Petroleum Co., 367 Adams Bldg., Bartlesville, Okla., 74004. (918) 661-6692.

You'll find Trop-Artic 6-Paks not only make sense–they make six times as much cents as selling single cans of oil.

PHILLIPS 66 TROP-ARTIC®
From The Performance Company

Housewares Show Issue

Discount Store News

VOL. 19, NO. 1

Published Biweekly, Every Other Monday, Monthly in December, by Lebhar-Friedman Inc.

$1.75 a copy

JANUARY 14, 1980

Chains Tighten Housewares Buys; Better ROI Is Goal

Nationwide DSN Report

Discount store and catalog showroom housewares/electrics merchandisers in the first half of the year will concentrate on improving return on investment. They will be buying less and relying more on distributors to reduce their inventory investment and increase turnover.

The reasons behind this financial-oriented merchandising are the high interest rates and the uncertain state of the economy, especially in the first few months of the year when a downturn—if it occurs—is expected to be most evident.

Discounters and catalogers agreed that despite the foggy outlook for the economy, one paradoxical trend will continue—the effort to step up lines, based on the idea that while consumers will be spending less, they will be buying the top items to get the best value for their money.

The merchandisers also noted that there will be a greater reliance on promoting basics and consumables because:

- This merchandise has great appeal to shoppers.
- There is merchandising continuity.
- Only limited amounts of promotional goods are available from manufacturers as they, too, tighten up on their inventories to reduce their investment and need to borrow money.

A prime problem facing discounters and catalogers is countering manufacturer prices, which will have 7%-10% run-of-the-mill boosts, with higher amounts for oil-based plastics and energy-intensive aluminum and glass.

Discounters and catalogers set to attend the January housewares shows in Chicago planned to counter the price hikes by (a) switching to other, lower-priced lines if possible; (b) delaying the boosts by buy-ins at the older costs, and/or (c) pressing for more advertising dollars and other allowances.

But the merchandisers were quick to acknowledge that price

(Continued on page 30)

Discounters' trend to step up cookware, as in J. W. Mays, Massapequa, N.Y., includes fashion-oriented displays and merchandising of high-end sets and nonstick-finish goods.

Special P.1 Format

This special housewares page one has been prepared by the editors of DSN to focus on key merchandising areas in recognition of the Chicago shows. DSN's standard page one, with the latest discount industry news, follows.

K mart Switches From Controlled Brand To Hoover Derivative Vacuum Cleaners

By Arthur Markowitz

TROY, Mich.—K mart has phased in a line of four Hoover derivative vacuums as the replacement for its controlled brand of Flor Genie floor care products.

It's a move to offer shoppers a mix of national brand vacuums that can't be price-compared with items carried by other discounters or catalog showrooms.

The Hoover vacuums are positioned as the lead-in to the Eureka derivative models that were also K mart's top-of-the-line when the discounter carried Flor Genie models.

K mart's use of Hoover derivative vacuums reflects the growing interest among discounters to use such items to merchandise floor care appliances that can't be price-shopped, and that have a stable continuity. Manufacturers in the past have changed models as often as twice a year, resulting in discounters needing to mark down leftovers.

Adding Hoover vacuums wasn't the only housewares/electrics change under way at K mart. Other moves included:

- Testing a new location for traffic appliances in three New Jersey stores opened at presstime. The department has been

(Continued on page 40)

New Corning Line Makes a Stir As Cookware Trade-up Bubbles

Nationwide DSN Report

Major changes are brewing in the cookware field, stirred by the following:

On the retail side, discount stores and catalog showrooms have increased their focus on merchandising step-up cookware, with higher-end, nonstick coating as the key selling feature.

On the manufacturer side, Corning Glass has developed Rangetoppers as a line of aluminum-clad Corning Ware. It has positioned the line as traded-up, top-of-the-stove cookware with its "competitors . . . seen as Farberware, Revere Ware and Club Aluminum," according to Corning.

Revere Ware and Club Aluminum were set at presstime to introduce their first lines of SilverStone-coated cookware at the January housewares show.

Executives of both firms said their moves were planned before Corning's announcement of its new stovetop cookware, and weren't a reaction to the latter's action. The two metal cookware manufacturers' decision to use SilverStone for the first time denotes the impact that this traded-up coating has made on the cookware field, the executives asserted.

Farberware has taken a different tack in its step-up marketing. Rather than add a nonstick coating to its cookware, the company late last year introduced the Advantage Collection of stainless steel-clad aluminum cookware as its new top-of-the-line, with items priced from $36 to $120.

Corning's plan to compete directly with metal cookware manufacturers in the stovetop area could have the greatest im-

(Continued on page 50)

Hear Rangetoppers In Nonstick Test

Corning Glass is testing a nonstick coating for its new Rangetoppers cookware, DSN has learned.

Corning executives declined to discuss the matter beyond noting that they have experimented with Teflon as a possible nonstick coating for their products.

Corning's nonstick coating for its cookware test is a layer of company-developed glass that gets more nonstick as it gets hotter.

DSN Case Study

Cube Displays Maintain Mix in Smaller Woolcos

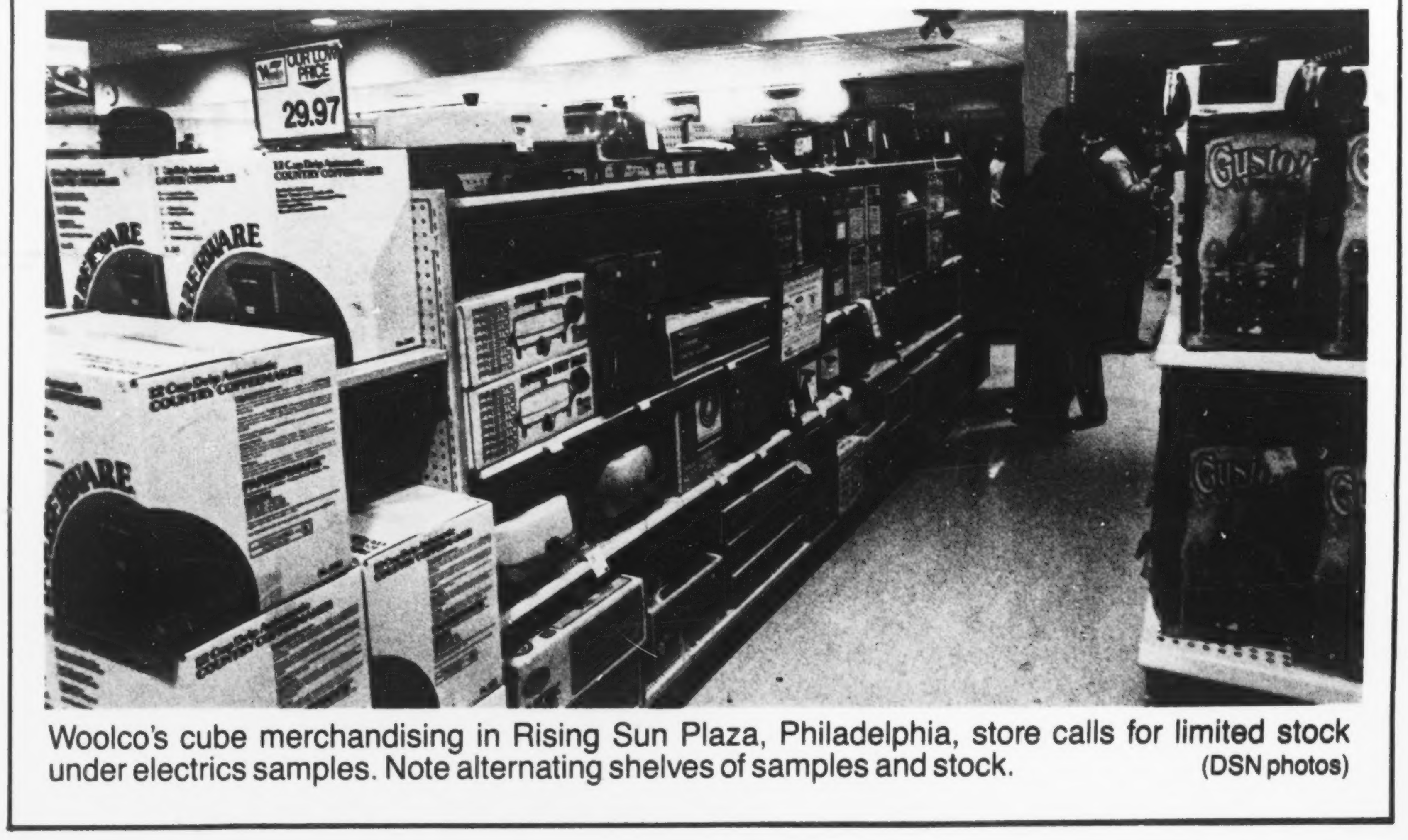
NEW YORK—Woolco has gone to cube merchandising of housewares and traffic appliances to maintain its basic assortment in the smaller-prototype stores that the chain has started to open.

The move to cube merchandising is seen as helping to boost turnover. Merchandisers have retained the same number of sku's but reduced inventory at the store level, obtaining more goods from the chain's network of four warehouses and from distributors.

In nonelectric housewares, Woolco aims to increase margins by one-half to one point. It will adjust its mix to focus on step-up goods in selected areas such as cookware, where nonstick coated merchandise is now the top of the line with three sets in the $40-$50 range.

In electrics, competition prevents any retailer from increasing margins, a merchan-

(Continued on page 60)



Woolco's cube merchandising in Rising Sun Plaza, Philadelphia, store calls for limited stock under electrics samples. Note alternating shelves of samples and stock. (DSN photos)

Discounters Rely More on Retail Staff to Cut Theft

Discounters are placing less reliance on guards, such as plainclothes security man (r.) at Jamesway, Ledgewood, N.J., in favor of loss-prevention training for all store personnel. (DSN photo)

NEW YORK—Discounters are becoming more sophisticated in dealing with thefts, according to preliminary findings by Arthur Young & Co.

The "big eight" accounting firm, commissioned by the National Mass Retailing Institute to conduct the first-ever industry survey on controlling shrinkage, reported that discounters are moving away from "security"—uniformed guards stationed at exits—and are increasingly devising loss prevention systems that rely on retail employees.

The full report will be presented at the NMRI's Top Management Conference in Florida later this month.

"Based on preliminary findings," said Errol M. Cook, chairman of Arthur Young's national retail group, "it's apparent that there is a growing commitment to loss prevention and real interest among chains about the experience of other retailers in this field. Loss prevention is getting more attention from senior management, to whom security directors are increasingly assigned to report."

While at presstime all data

(Continued on page 22)

CD's Answer to Deception Charges: Sales Boom Caused Out-of-Stocks

EDISON, N.J.—Has success hurt Consumers Distributing?

An executive asserted that same-day sales increases that surpassed 100% in some showrooms caused the cataloger to run out of stock on a broad array of items featured in two holiday flyers. This, he said, resulted in Consumer Affairs agencies in Nassau and Westchester Counties, New York, filing violation charges against the chain.

The Nassau County agency filed charges of 50 violations against the cataloger for "deceptive trade practices" for not having merchandise to back up ads.

The Westchester County agency at presstime was completing drawing up papers that would cover about 380 alleged violations, charging failure to have sufficient goods to support ads.

Officials of both agencies asserted that Consumers Distributing had the greatest number of violations of any retailer. One official said: "I believe that they had no idea of fulfilling orders; they just wanted to lure people into the store to get rid of stock."

The cataloger, shortly after the two agencies announced their actions, promoted David Muster from giftware buyer to director of inventory control to assume some duties formerly handled by George Graff, senior vice president, who has left the company.

Any possible implication that the change was partly connected to the firm's supply problems wasn't denied by an executive with the cataloger.

He explained that the inventory shortages were "directly caused by too much business. We weren't equipped or prepared to handle the kind of sales

(Continued on page 11)

Horton, Stinson and Filer Are Promoted at DSN

Horton

Stinson

Stuart J. Horton, editor/associate publication director of *Discount Store News*, was promoted to publication director effective Jan. 1, 1980.

Horton's eight-year tenure with the Lebhar-Friedman publication included stints as a field editor, managing editor and editor prior to his being named editor/association publication director last year.

Managing editor Douglas W. Stinson was moved into the vacated editor's position, effective the same date. Prior to becoming managing editor last year, Stinson had been an associate editor.

Sales representative Fred J. Filer was promoted to eastern advertising manager. Filer had been the New York regional sales representative for two years, and will now be responsible for supervision of sales on the East Coast.

Announcements of all three promotions were made at Lebhar-Friedman's annual sales and editorial meetings last month at New York's St. Regis Hotel.

Federated Names Old-liner Guinan Gold Circle Prez

James Guinan

WORTHINGTON, Ohio—Federated has tapped James Guinan, a department store executive with a strong operations background, for the presidency of discounter Gold Circle.

He succeeds Norman Matthews, who in turn replaces founder Hal W. Field as chairman and ceo. Field retired at the end of 1979 after 17 years at Gold Circle and Federated's Lazarus division.

Guinan, 46, president of Milwaukee's Boston Store, will try to apply his operations skills to brighten Gold Circle's lackluster bottom line. His experience in personnel, finance, and distribution should complement Matthews' merchandising orientation.

Matthews became president of the Ohio discounter in July 1978, after a five-year stint at Korvettes, as a senior vice-president of marketing and later as general merchandise manager.

Industry analysts have suggested that Gold Circle has suffered from underfunding and a lack of interest from its department store-oriented parent.

(Continued on page 112)

In This Issue...

SAFETY. Product recalls have been a cumbersome project at best for retailers, consumers and government agencies. Sam Zagoria, vice chairman of the Consumer Product Safety Commission, discusses with DSN proposals on how that burden can be eased while increasing the effectiveness of safety recalls. P. 20.

NEW LEADER. The glamour product in the traffic appliance line, the food processor, has become a promotional staple for discounters. Despite inflationary pressures on other small electrics, the advertised prices of food processors dipped in 1979 and the price spread among chains narrowed. P. 31.

PRODUCTIVITY. The key to successful retailing today and tomorrow is employee productivity, one area in which a retailer can significantly control his costs. In this issue, the DSN/Touche Ross Discount Management Development Series focuses on improvements that can be made to get the most out of labor costs. P. 16.

FLOOR PRICE. Improving the profitability of floor-care appliances is the topic of the housewares section seminar. Buyers from top discount chains and leading manufacturers explore the options available to retailers. P. 77.

DRESSED UP. Apparel specialty discounters are giving traditional specialists fits with new price competition, leading one small retailer to try to retaliate against common suppliers. However, newcomers like Woolworth's J. Brannam report no difficulties getting branded merchandise. Pp. 98, 100.

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Spotlight on: Thematic Display

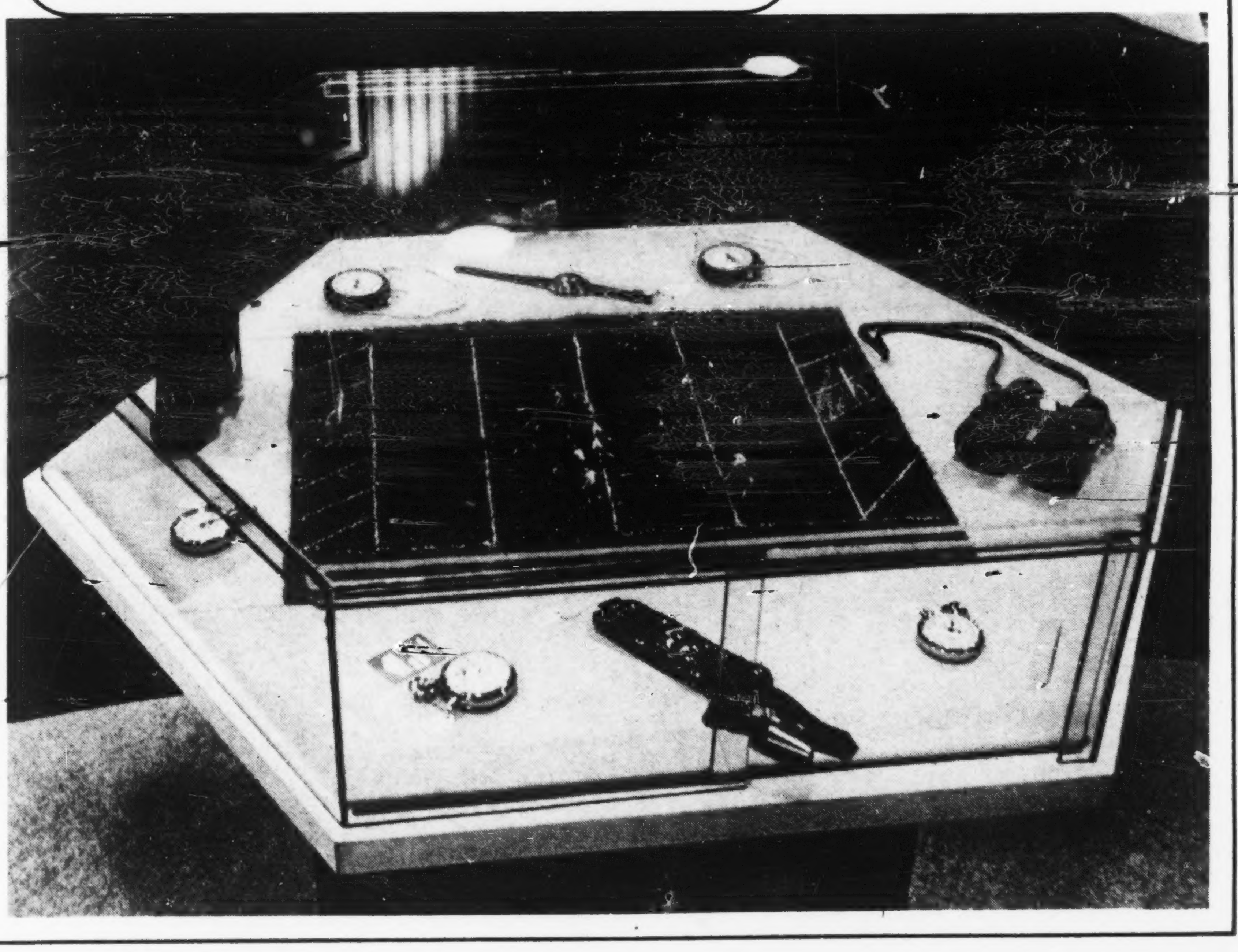
This Cataloger Gets Into the 'Story' Game

BUFFALO—Arranging a display around a theme or "telling a story" is an effective technique used by discounters. However, catalog showrooms generally haven't exploited this method.

An exception is Century House, which highlights samples in a theme setting by using company-designed, hexagon-shaped, glass showcases, set on round bases.

The showcases are used as freestanding displayers, as seen (right) in the Como Mall, Cheektowaga, N.Y., showroom.

The "story" treatment in this showcase had a miniature football field as the setting, with samples of merchandise that is used to watch and time plays as the tie-in.



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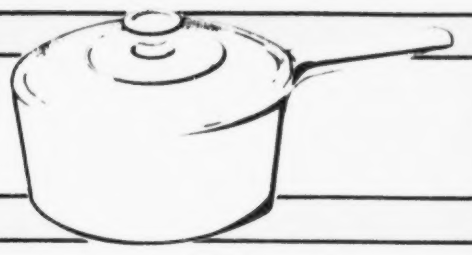
Vol. 19, No. 1 Jan. 14, 1980



HOUSEWARES SHOW SECTION

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Drips Rebound To No. 1 Spot In Electrics

By Howard Bobroff
President,
Myron Nickman Distributors

The strong recovery in drip coffeemaker sales—following the '79 drop in coffee prices—was evident in the Product Movement Audit for the Oct. 15 through Nov. 9, 1979, period. The classification led the electric housewares category in both unit and total dollar movement.

The coffeemakers' rebound was aided as discounters and other retailers stocked up on best-selling electric housewares in preparation for the holiday gift-giving period; drip coffeemakers are among the more popular electric gifts.

Figures supplied by Myron Nickman Distributors, a division of Cook United, Maple Heights, Ohio, cover 900 stores, including 125 discount department stores in the Midwest. Average retail prices listed by the distributor reflect typical price points for discount clients.

The other electric housewares that are key gift items are personal care appliances, and both styler/dryers and curling wands scored high on the PMA. Styler/dryers were No. 2 overall and curling wands were No. 3 in unit movement and No. 4 in total dollar movement by virtue of their lower average retail compared to other electrics.

(Continued on page 49)

Newcomers, Climbers

The following "New Items" chart lists items (and their rank) that are appearing on the Myron Nickman Distributors electric housewares PMA for the first time. In addition, under the heading "High Risers" are items (and their rank) that have moved up five or more places from the previously published report.

Category/Item	Rank
NEW ITEMS	
STYLER/DYERS	
Conair 1200W Pro Stlr w/brsh	1
Sunbeam 1200W Win-Aire	3
Clairol 1200W Shoot the Breeze	5
George 1200W compact	12
CURLING WANDS	
Northern Pro Styling Brush	2
Windmere Setting Pretty	3
Dallas Hot Pick	5
Norelco Wave Maker	6
Conair Little Misty	10

(Continued on page 49)

ELECTRIC HOUSEWARES

STYLER DRYERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Conair 1200W Pro Stlr w/brsh	1,444	21.39	30,887.16
2	—	Gillette 1400W Supermax Pro	931	21.38	19,904.78
3	—	Sunbeam 1200W Win-Aire	1,248	13.23	16,511.04
4	—	Gillette 1200W Supermax	682	22.08	15,058.56
5	—	Clairol 1200W Shoot the Breeze	744	17.36	12,915.84
6	—	Norelco 1000W Gotcha Gun	991	11.65	11,545.15
7	—	Conair 1000W Pro Dryer	755	13.36	10,086.80
8	1	Gillette 1000W Supermax 2	493	18.60	9,169.80
9	—	Conair 1200W Pistol Power	733	12.39	9,081.87
10	—	Clairol 1200W Son of a Gun	397	20.71	8,221.87
11	4	Clairol 1200W One-for-the-Road	395	20.05	7,919.75
12	—	Georgie 1200W compact	664	11.70	7,768.80
13	12	Norelco 1200W Gotcha Gun	508	14.25	7,239.00
14	7	Northern 1000W	600	11.41	6,846.00
15	—	Windmere 1250W Boss	519	12.83	6,658.77
16	2	Shetland 1200W Pony Pro	691	9.59	6,626.69
17	6	Gillette 1000W Pro Max cmpct	425	14.69	6,243.25
18	11	Windmere 1200W Dry Baby	327	11.35	3,711.45
19	6	Gillette 1200W Pro Max cmpct	179	20.40	3,651.60
20	10	Northern 1200W Pro Blwr	295	10.70	3,156.50
21	9	Gillette 1200W Sprmx Crltp	100	23.28	2,328.00
		TOTALS	13,121		205,532.68

CURLING WANDS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4	Windmere Curling Brsh	2,321	8.68	20,146.28
2	—	Northern Pro Styling Brsh	1,129	7.99	9,020.71
3	—	Windmere Setting Pretty	1,531	5.55	8,497.05
4	7	Windmere Kwik Kurl Wndr Br	1,720	4.81	8,273.20
5	—	Dallas Hot Pick	660	11.38	7,510.80
6	—	Norelco Wave Maker	404	14.25	5,757.00
7	2	Gillette Body & Curl	372	14.69	5,464.68
8	—	Sunbeam Mist Stick swvl crd	602	8.73	5,255.46
9	10	Clairol Crazy Curl	283	12.03	3,404.49
10	—	Conair Little Misty	275	10.45	2,873.75
11	6	Norelco Curl Q	255	16.35	2,639.25
12	11	Conair Curl 'N Carry	205	11.73	2,404.65
13	3	Gillette Super Curl cmpct	149	13.35	1,989.15
		TOTALS	9,906		83,236.47

DRIP COFFEEMAKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4	North Amer Mr. Coffee 12-cp/svr	3,577	36.45	130,381.65
2	—	North Amer Mr. Coffee 10-cp	4,445	24.41	108,502.45
3	3	North Amer Mr. Coffee 10-cp w/svr	1,533	31.76	48,688.08
4	1	Proctor-Silex 10-cp	1,961	19.81	38,847.41
5	—	Norelco Express 4-cp	960	19.44	18,662.40
6	—	Norelco 12-cp Dial-a-Brew	403	35.00	14,105.00
7	2	Norelco 10-cp Dial-a-Brew	426	27.23	11,599.98
8	—	Regal 4-cup mini	179	14.65	2,622.35
		TOTALS	13,483		373,409.32

SPECIALTY ELECTRICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Wear-Ever Popcorn Pumper	1,205	29.15	35,125.75
2	2	Presto Popcorn Now	815	31.43	25,615.45
3	13	Sunbeam Grt Amrcn Ppcrn Mchn	436	21.74	9,478.64
4	9	Hamilton Beach Bttr Up Pppr	631	14.03	8,852.93
5	—	Toastmaster mini-grddl	376	20.86	7,843.36
6	5	Presto Fry Daddy	289	24.53	7,089.17
7	—	Mirro Butter/Rite crn pppr	600	9.03	5,418.00

(Continued on page 49)

WEAR-EVER
THE STAR PERF
Preview Performances January

WEAR-EVER BAKEWARE WITH SILVERSTONE.
Even-heating heavy-gauge aluminum plus non-stick SilverStone collaborate to make it a star attraction wherever it's displayed. And a versatile new roast pan makes it a more appealing line than ever.

WEAR-EVER COOKWARE WITH SILVERSTONE.*
America's hottest selling quality coated cookware will be a hit all year, thanks to solid TV and print support.

KABOB-IT
Brand-new hot hors d'oeuvres/meal-maker poised for stardom in 1980. Advance reviews call it a big hit for entertaining in style.

DOUBLE-BARREL SUPER SHOOTER® ELECTRIC FOOD GUN.
A smash hit across America—over 3,000,000 sold so far—our nifty canapé and cookie maker makes a four-star gift idea, too.

*DuPont's registered trademark for its premium non-stick surface.
†Licensed trademark of Wear-Ever Aluminum, Inc.

DU PONT APPROVED SilverStone PREMIUM NON-STICK SURFACE

HOUSEWARES SHOW SECTION

ELECTRIC HOUSEWARES

(Continued from page 48)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
SPECIALTY ELECTRICS					
8	11	Hamilton Beach Fry All	243	15.36	3,732.48
9	12	Presto Hot Dogger	188	6.51	1,223.88
		TOTALS	4,783		96,536.30
FOOD PROCESSORS					
1	7	Sunbeam Le Chef	271	111.01	30,083.71
2	1	Hamilton Beach Cuisine Machine	277	60.18	16,669.86
3	6	Oster Kitchen Center, almnd	57	130.41	7,433.37
		TOTALS	605		54,186.94
SLOW COOKERS					
1	3	Rival 5-qt removable lnr, beige	781	25.35	19,798.35
2	2	Rival 3½-qt removable liner	438	19.73	8,641.74
3	5	Rival 3½-qt, almond	576	13.04	7,511.04
4	1	Van Wyck 6-qt removable liner	149	22.68	3,379.32
5	—	Rival 3½-qt, flame	216	11.84	2,557.44
		TOTALS	2,160		41,887.89
BLENDERS					
1	1	Hamilton Beach 7-spd, almnd	1,044	18.14	22,675.00
2	2	Oster 10-speed	689	23.95	16,501.55
3	4	Waring 8-button, wht	595	20.05	11,929.75
4	—	Oster 10-speed, glss bwl	169	29.03	4,906.07
5	2	Hamilton Beach 14-sp, Blndr Pls, gld	130	26.74	3,476.20
6	5	Waring 15-button, wht	125	24.40	3,050.00
		TOTALS	2,752		62,538.57
HAND MIXERS					
1	1	Sunbeam 5-sp, Brst of Pwr, wht	558	20.80	11,606.40
2	2	Sunbeam 3-sp, wht	709	10.46	7,416.14
3	3	Hamilton Beach 3-sp, gld	514	10.69	5,494.66
4	4	Waring 6-sp, wht	341	12.03	4,102.23
5	—	Hamilton Beach 5-sp w/case, almnd	218	16.04	3,496.72
6	—	Betty-G 5-sp, wht	353	9.39	3,314.67
		TOTALS	2,693		35,430.82
STAND MIXERS					
1	1	Sunbeam w/dough hk, wht	88	74.28	6,536.64
2	2	Waring 6-sp, 2-way, wht	293	18.60	5,449.80
3	4	Hamilton Beach 12-sp, stnlss bwl	46	32.09	1,476.14
		TOTALS	427		13,462.58
TOASTERS					
1	6	Toastmaster 2-sl prmtnl, almnd	1,725	11.78	20,320.50
2	1	Proctor-Silex 2-sl pstry	1,216	15.93	19,370.88
3	2	Proctor-Silex 2-sl, promo	1,478	11.75	17,366.50
4	4	Proctor-Silex 4-sl, promo	706	17.80	12,566.80
5	3	Toastmaster 4-sl, dual cntrl	193	26.78	5,168.54
6	5	Proctor-Silex 4-sl, pstry	180	23.29	4,192.20
		TOTALS	5,498		78,985.42

(Continued on page 74)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Drips Rebound

(Continued from page 48)

Personal care appliances have been the stellar performers in electrics housewares—evident in the PMA not only by the high standing of each classification but also by the large number of models that showed up, 21 for styler/dryers and 13 for curling wands.

This broad array of items allowed discounters to feature the merchandise in promotions while also maintaining a basic mix for maximum everyday profits.

Four new styler/dryers made the chart, with one, Georgie 1200W compact, No. 12, spotted as a low-priced unit at an average retail of $11.70. The other three were positioned as mid-point items: Conair 1200W Pro Styler w/brush, No. 1, Sunbeam 1200W Win-Aire, No. 3, and Clairol 1200W Shoot the Breeze, No. 5.

The Conair unit checked out as the top item partly due to the brush attachment which is used to help style the hair while drying.

Manufacturers have tied into consumers' interest in using a brush to style the hair by developing a curling brush as an alternative to the curling wand.

The curling brush started to become an important personal care electric about six months ago and caught on big in the last quarter; four models made the overall curling wand listing and two—the Northern and Norelco units—were among the five new items in the category.

More importantly, curling brushes captured the top two spots and four of the top seven listings. This occurred despite the fact that manufacturers have tagged curling brushes as the top-priced items in their curling wand line.

The No. 1 item in curlers was a Windmere Curling Brush. Its $8.68 average retail price is almost double the tag of the other two Windmere items that made the report. The same is true for

(Continued on page 74)

Newcomers

(Continued from page 48)

DRIP COFFEEMAKERS

Norelco Express 4-cup	5

SPECIALTY ELECTRICS

Mirro Butter/Rite corn popper	7

HAND MIXERS

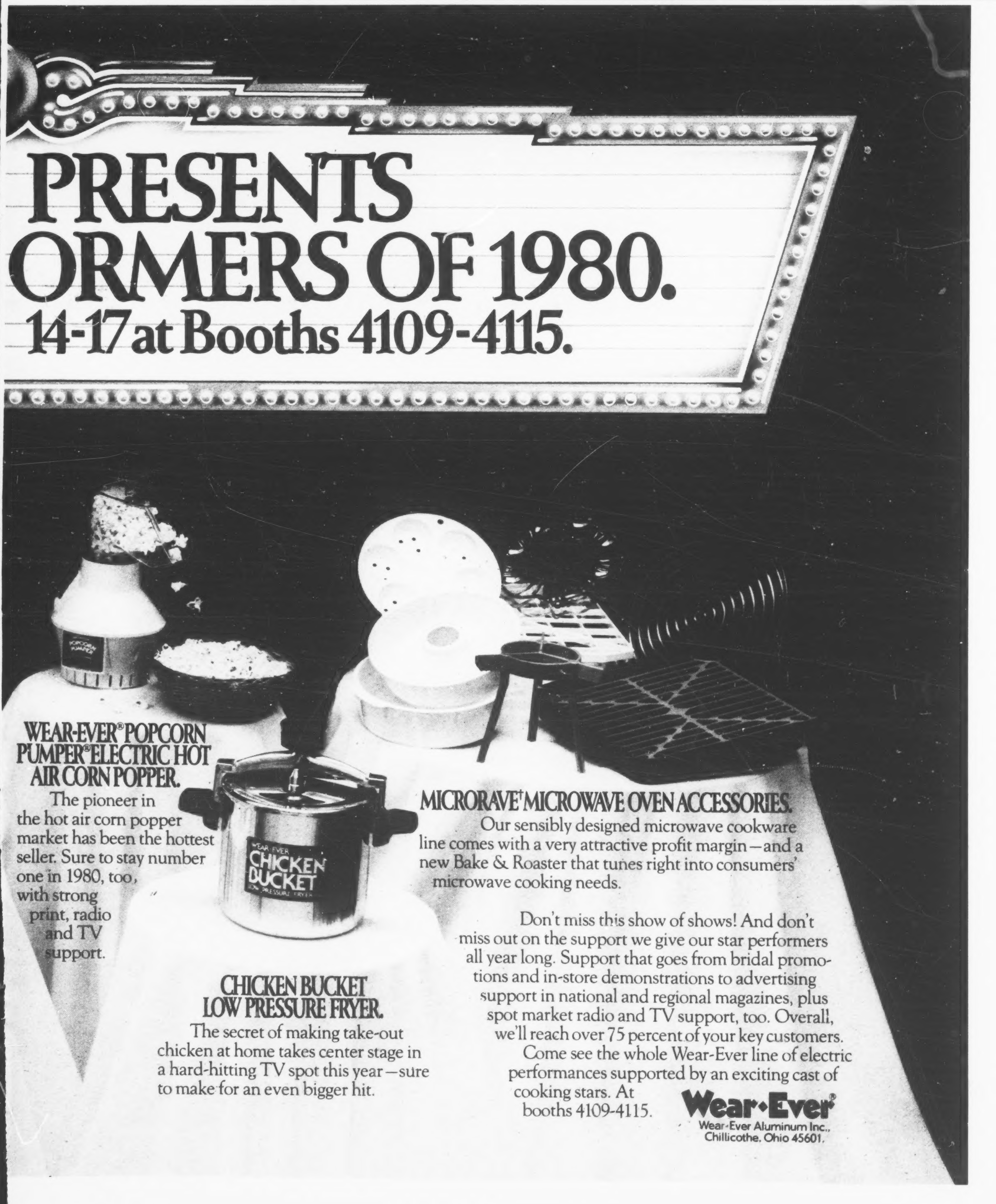
Hamilton Beach 5-sp w/cs, ald	5
Betty-G 5-speed, white	6

HIGH RISERS

STYLER/DRYERS

Gillette 1400 W Supermax Pro	2
Gillette 1200W Supermax	4
Norelco 1000W Gotcha Gun	6
Conair 1000W Pro Dryer	7
Conair 1200W Pistol Power	9
Clairol 1200W Son of a Gun	10
Windmere 1250W Boss	15

(Continued on page 74)



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Wear-Ever Aluminum Inc.,
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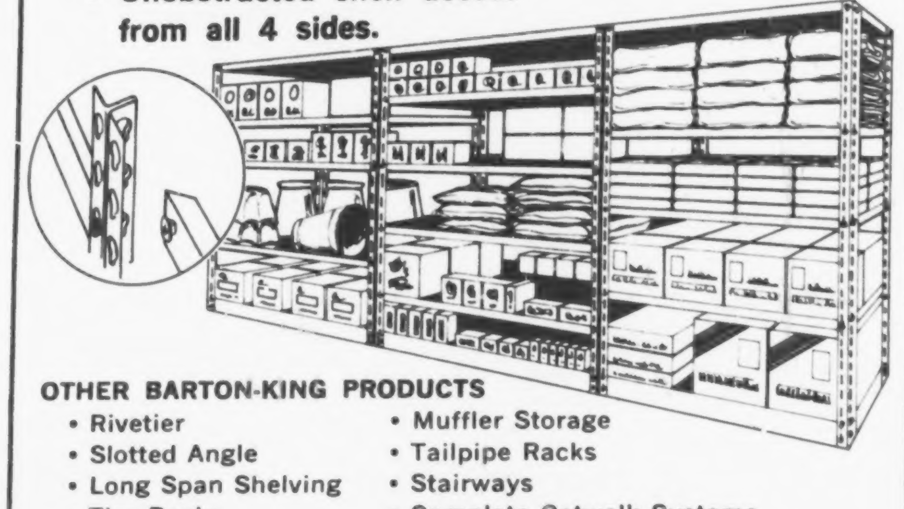

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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Drips Rebound

(Continued from page 49)

the Norelco Wave Maker, No. 6, and the Gillette Body & Curl, No. 7; each carries higher average retail prices than the curling wands made by these producers.

While discounters and other retailers feature a broad assortment of personal care appliances, they use a different strategy for kitchen electrics. Return on investment is the key to merchandising these items and discounters focus on generating the highest unit and total dollar movement from a tight mix.

This merchandising can be seen in the fewer sku's carried in each of the 10 kitchen electrics categories compared to the two personal care appliance areas. The narrower assortment means a smaller inventory investment can result in a good return on investment if unit sales are high.

A number of kitchen electrics illustrate the discounters' focus on a tight assortment to produce high unit and total dollar movement.

Slow cookers are one example, with five sku's—less thar half the number of curlin wands—having an average 43 unit movement and total dollar of $41,887.89, equal to half th wand's dollar movement.

Toasters had an average uni movement of 916 units, beatin both styler/dryers and curlin wands, and the classification total dollar movement o $78,985 was only about $5,00 less than curling wands'.

Hand mixers, blenders, iron and can openers all had sku's c six to 10 items and generate average unit movements of 4(to 509. The categories produce total dollars ranging fro $35,430 to $64,885. The sma inventory investments resulte in unit and dollar movemen comparable to the person care appliance area.

Only 13 items showed a gre upward movement in the va ous kitchen appliance classific tions, another indication of t basic, staple nature of the electrics and of how discounte are going with just the be sellers to get the maximum r turn.

ELECTRIC HOUSEWARES

(Continued from page 49)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
CAN OPENERS					
1	—	Oster, wht	752	15.71	11,813.92
2	3	Rival w/knife shrp, almnd	834	11.30	9,424.20
3	4	Waring w/knife shrp, gld	587	12.71	7,460.77
4	8	Rival w/knife shrp, gld	602	11.30	6,802.60
5	—	Betty-G w/knife shrp, wht	600	9.39	5,634.00
6	2	Rival slim w/knife shrp, wht	293	13.35	3,911.55
7	—	Rival, almond	367	9.83	3,607.61
8	1	Dazey, gld	438	6.68	2,925.84
9	—	Waring, gold	105	7.14	749.70
		TOTALS	4,578		52,330.19
IRONS					
1	3	Proctor-Silex steam	1,211	12.59	15,246.49
2	2	Sunbeam self-clean	370	27.43	10,149.10
3	4	Proctor-Silex slf-cln	442	21.23	9,383.66
4	6	Proctor-Silex stm/spry	528	14.80	7,814.40
5	1	Hamilton Beach lghtwght iron	330	17.38	5,735.40
6	5	Sunbeam promotional slf-cln	238	20.40	4,855.20
7	7	Hamilton Beach Smart iron	150	26.74	4,011.00
8	—	Sunbeam promotional stm iron	279	12.03	3,356.37
9	8	Sunbeam Today iron	109	20.40	2,223.60
10	9	Struhl travel iron	357	5.91	2,109.87
		TOTALS	4,014		64,885.09

Source: Myron Nickman Distributors

Newcomers

(Continued from page 49)

CURLING WANDS
Sunbeam Mist Stick swivel cord . .

DRIP COFFEEMAKERS
North Amer Mr Coffee 10-cup . . .
Norelco 12-cup Dial-a-Brew . . . . .
Regal 4-cup mini . . . .

SPECIALTY ELECTRICS
Sunbeam Grt Amr Ppcrn mchn . .
Hamilton Bch Bttr Up Pppr . . . . . .
Toastmaster mini-griddle . . . .

FOOD PROCESSORS
Sunbeam Le Chef . . . .

SLOW COOKERS
Rival 3½-qt, flame . . . .

BLENDERS
Oster 10-sp, glass bowl . . . .

TOASTERS
Toastmaster 2-sl promo, almd . . .

CAN OPENERS
Oster, white . . . .
Rival, almond . . . .

IRONS
Sunbeam promo steam iron 8

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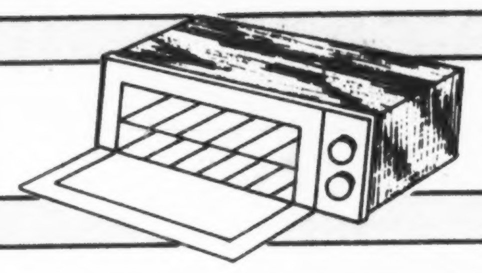


Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

East Coast PMA Now Identifies Brand Names

By Harold Rubin
President,
HalMar Distributors

The HalMar housewares Product Movement Audit has been revamped and will now spotlight the top sellers by brand name in 10 specific categories. The new format begins with this report, which covers the Jan. 1 through Nov. 19, 1979, period.

The change was made to help discounters obtain more meaningful information on what's selling in the East Coast areas covered by this report, as well as to compare movement for the same categories in the other housewares PMA's.

An analysis of the movement in the 10 categories shows the following:

Corelle 20-pc. dinnerware, because of its lower retail continues to outsell Expressions, both in sets and open-stock.

Corning Glass' use of the Woodland design from the Pyrex line and Wildflower from the Corning Ware line on dinnerware has resulted in these two patterns scoring high on the report. Corelle in the Woodland design was No. 2 while Expressions in the Wildflower pattern was No. 6.

Figures supplied by HalMar Distributors, Holyoke, Mass., cover 500 stores, including 400 full-line discount department stores from New England to the Carolinas. Average retail prices listed by the distributor reflect typical price points for discount clients.

Expressions' Batik pattern, available for just the past half year, seems to have caught on with consumers; it ranked higher at No. 9 than Expressions' Blue Heather design despite the latter being one of the original four introduced by Corning.

Glass candles are seasonal merchandise that moves strongest just before the Christmas holiday period. Its movement was high enough to place four different offerings on the listing as Nos. 11, 14, 16 and 19.

Wineglasses and 12-oz. beverageware were the dominant items on the glassware report, reflecting both everyday and seasonal use of this merchandise.

The key wineglass line was Libbey's Mr. Pro, a step-up of-

(Continued on page 56)

HOUSEWARES

TABLETOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Corelle 20-pc set, gold	23,374	35.95	840,295.30
2	Corelle 20-pc set, Woodland	21,354	35.95	767,676.30
3	Corelle 20-pc set, green	19,770	35.95	710,731.15
4	Expressions 20-pc set, Indian Summer	7,590	62.95	477,790.50
5	Expressions 20-pc set, Meadow	6,740	62.95	424,283.00
6	Expressions 20-pc set, Wildflower	5,813	62.95	365,928.35
7	Corelle 20-pc set, blue	6,419	35.95	230,763.05
8	Corelle 20-pc set, white	2,987	34.15	102,006.05
9	Expressions 20-pc set, Batik	1,046	62.95	65,845.70
10	Expressions 20-pc set, Blue Heather	932	62.95	58,669.40
11	Pyrex Un-candle Captain's Lamp	6,486	7.19	46,634.34
12	Corelle 5-pc completer set, gold	2,356	18.89	44,504.84
13	Corelle small platter, green	5,871	7.20	42,271.20
14	Pyrex Un-derwater candle, Neptune	5,787	7.19	41,608.53
15	Corelle small platter, gold	5,754	7.20	41,428.80

GLASSWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Libbey 6½-oz round wine, Mr Pro	7,545	4.76	35,914.20
2	Libbey 12½-oz bev, Wheat Spray, 8-pc	4,494	7.73	34,738.62
3	Libbey 8½-oz wine, Mr Pro	5,544	4.76	26,389.44
4	Anchor Hocking 11-pc table service set, prsct	2,628	9.71	25,517.88
5	Libbey 12-oz bev, Summer, 8-pc	3,635	6.83	24,827.05
6	Anchor Hocking 4" ashtray, gold	39,060	0.62	24,217.20
7	Libbey 10½-oz wine, Mr Pro	4,635	4.76	22,062.60
8	Libbey 16-oz cooler, Tawney Accent, 4-pk	7,135	3.05	21,761.75
9	Libbey 6½-oz wine, Tawney Accent, 4-pk	4,458	4.85	21,621.30
10	Anchor Hocking 7-pc table service set, prsct	2,668	7.73	20,623.64
11	Anchor Hocking 24-pc set, Newport Crystal	1,633	12.15	19,840.95
12	Anchor Hocking 9-oz bev, crystal sham	44,163	0.44	19,431.72
13	Libbey 12-oz bev, Gold Aster, 4-pk	6,691	2.87	19,203.17
14	Anchor Hocking 24-pc set, Newport Gold	1,471	12.15	17,872.65
15	Libbey 12-oz bev, Gold Country Garden	28,740	0.62	17,818.80

COOKWARE

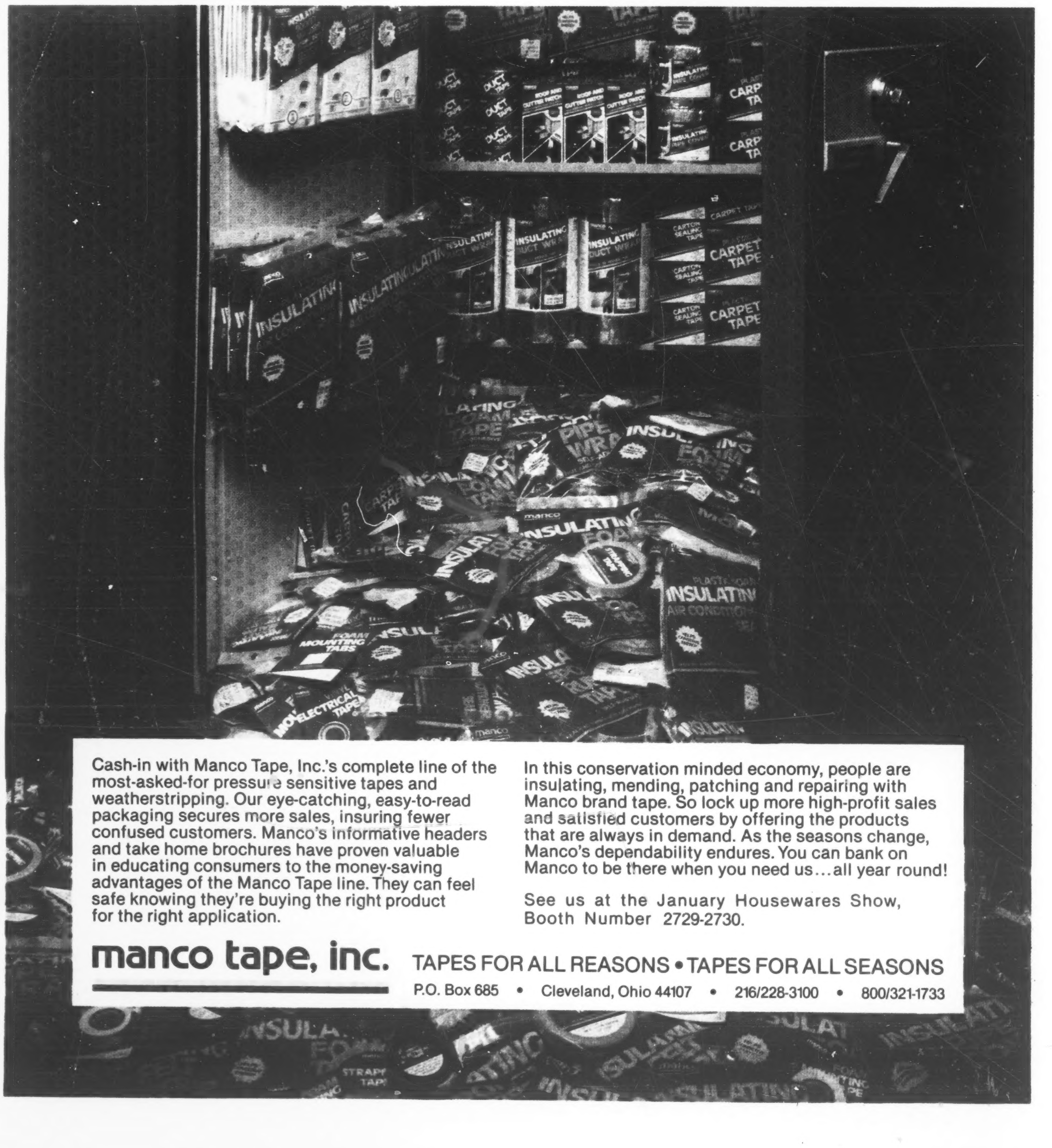
$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Wear-Ever 12" Premium chef fry pn, SlvrStn	2,905	13.95	40,524.75
2	Ekco 17¼" cookie sheet, Baker's Secret	13,291	2.87	38,145.17
3	Wear-Ever 9-pc set, Premium, SlvrStn	525	69.29	36,377.25
4	Wear-Ever 10" Premium chef fry pn, SlvrStn	3,355	10.79	36,200.45
5	Ekco 13" oblng cake pan, Baker's Secret	12,594	2.60	32,744.40
6	T-Fal 10" fry pan	2,156	13.49	29,084.44
7	Ekco 14½" roast pan, Baker's Secret	7,230	3.50	25,305.00
8	T-Fal 12" fry pan	1,563	15.29	23,898.27
9	T-Fal 8" fry pan	2,192	10.79	23,651.68
10	Wear-Ever 8" Premium chef fry pan, SlvrStn	2,598	8.99	23,356.02
11	Ekco 15¼" cookie sheet, Baker's Secret	8,972	2.60	23,327.20
12	Ekco 12-cup muffin pan, Baker's Secret	7,394	3.14	23,217.16
13	Ekco 15¼" cookie sheet	11,304	1.79	20,234.16
14	Ekco 17¼" cookie sheet	9,238	1.97	18,198.86
15	Mirro 9-cup percolator	2,904	6.20	18,004.80

GADGETS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Swing-A-Way portable hand can opener	10,348	3.41	35,286.68
2	Rhodes timer, white	4,112	5.66	23,273.92
3	Ekco can oener w/bottle opener	27,479	0.82	22,532.78
4	Ekco 3-way can opener	15,658	1.25	19,572.50

(Continued on page 56)

It Pays To Go With The Green!



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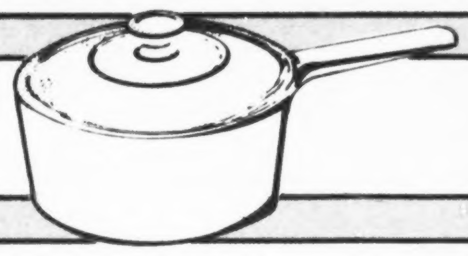


HOUSEWARES SHOW SECTION

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

East Coast PMA

(Continued from page 55)

fering that captured four of the seven wineglass listings. The six different 12-oz. beverage glasses on the PMA broke down to three with different designs and three in colored glass, one with a texture.

The three designs were florals—Gold Aster, Wheat Spray and Summer—while the three colored glasses were in blue, tawney and gold, the latter in an embossed glass.

The even split between decorated and clear-colored glass is indicative of the even strength of both fashion types.

Two Anchor Hocking table service sets showed up as Nos. 4 and 10. This merchandise was propelled by strong seasonal movement, such as pre-Christmas sales.

The impact that step-up nonstick coatings have made on cookware isn't a secret. The extent can be gauged by the fact that this merchandise accounted for 14 of the 20 listings or 70%, including the first 10 spots.

Three different nonstick coatings made the report; SilverStone on four different Wear-Ever Premium open-stock items, T-Fal for three different open-stock pieces, and Baker's Secret on seven different Ekco bakeware items.

While the step-up cookware captured most of the listings, there continues to be a market for lower-priced goods. Four Mirro aluminum items and two Ekco regular cookie sheets also copped spots.

Trade-up Gadgets

The effort by discounters and other retailers to step up basic housewares isn't limited to just cookware. Gadgets included a number of step-ups, headed by the No. 1 item, a Swing-A-Way hand can opener which had a retail almost four times higher than the lowest priced can opener on the report, an Ekco model that was No. 3. Overall, five can openers made the report, with the Swing-A-Way and a Bonney in the No. 13 place as prime step-up examples.

Two peelers also made the report, with the item ranked No. 20 the clear step-up from the item in the No. 9 place. The step-up was also evident from the Gemco food chopper, No. 10, to the Foley 2-qt. food mill, No. 11, which is a more versatile utensil, with a tag almost four times higher.

Plastic goods is an area where character identification is important for such items as tumblers. A Sesame Street tumbler was No. 1, a Mickey Mouse mug No. 15 and straws with the Walt Disney character No. 19.

Large size is the other important consideration in plastics—

(Continued on page 57)

HOUSEWARES

(Continued from page 55)

GADGETS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
5	Ekco can opener, plastic handle	8,883	1.88	16,700.04
6	Ekco 8" colander-strainer	6,146	2.69	16,532.74
7	Rhodes timer, gold	2,839	5.66	16,068.74
8	Ekco 2⅛" barrel rolling pin	5,128	3.05	15,640.40
9	Ekco peeler	25,120	0.62	15,574.40
10	Gemco food chopper	7,386	1.97	14,550.42
11	Foley 2-qt food mill	1,850	7.64	14,134.00
12	Range Kleen 6" reflector pan	10,286	1.35	13,886.10
13	Bonny hand can opener	4,271	3.14	13,410.94
14	Range Kleen 8" reflector pan	7,250	1.80	13,050.00
15	Ekco 8-wing egg beater	4,654	2.69	12,519.26

PLASTICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Demand Mkt Sesame Street tumbler	19,782	0.98	19,386.36
2	Republic 1-qt uprite Freezette	6,324	2.51	15,873.24
3	Republic 1-pt uprite Freezette	6,102	2.51	15,316.02
4	Lustro-Ware 11-qt heavy duty apil, aluminum	6,637	2.24	14,866.88
5	Loma 32-gal lock-lid refuse container	1,284	10.79	13,854.36
6	Family Prod 2-qt bottle	9,353	1.34	12,533.02
7	Lustro-Ware 70-oz round decanter	6,429	1.79	11,507.91
8	Family Prod 1-qt bottle	9,983	1.07	10,681.81
9	Tucker 22-gal trash can	1,596	6.65	10,613.40
10	Lustro-Ware 1-gal square decanter	4,002	2.51	10,045.02
11	Republic 1½-pt uprite Freezette	3,949	2.51	9,911.99
12	Eagle 80-oz oblong Superseal	5,786	1.70	9,836.20
13	Beacon towel holder	6,412	1.52	9,746.24
14	Wall nylon baster	8,292	1.16	9,618.72
15	Eagle mug, Mickey Mouse	3,731	2.15	8,021.65

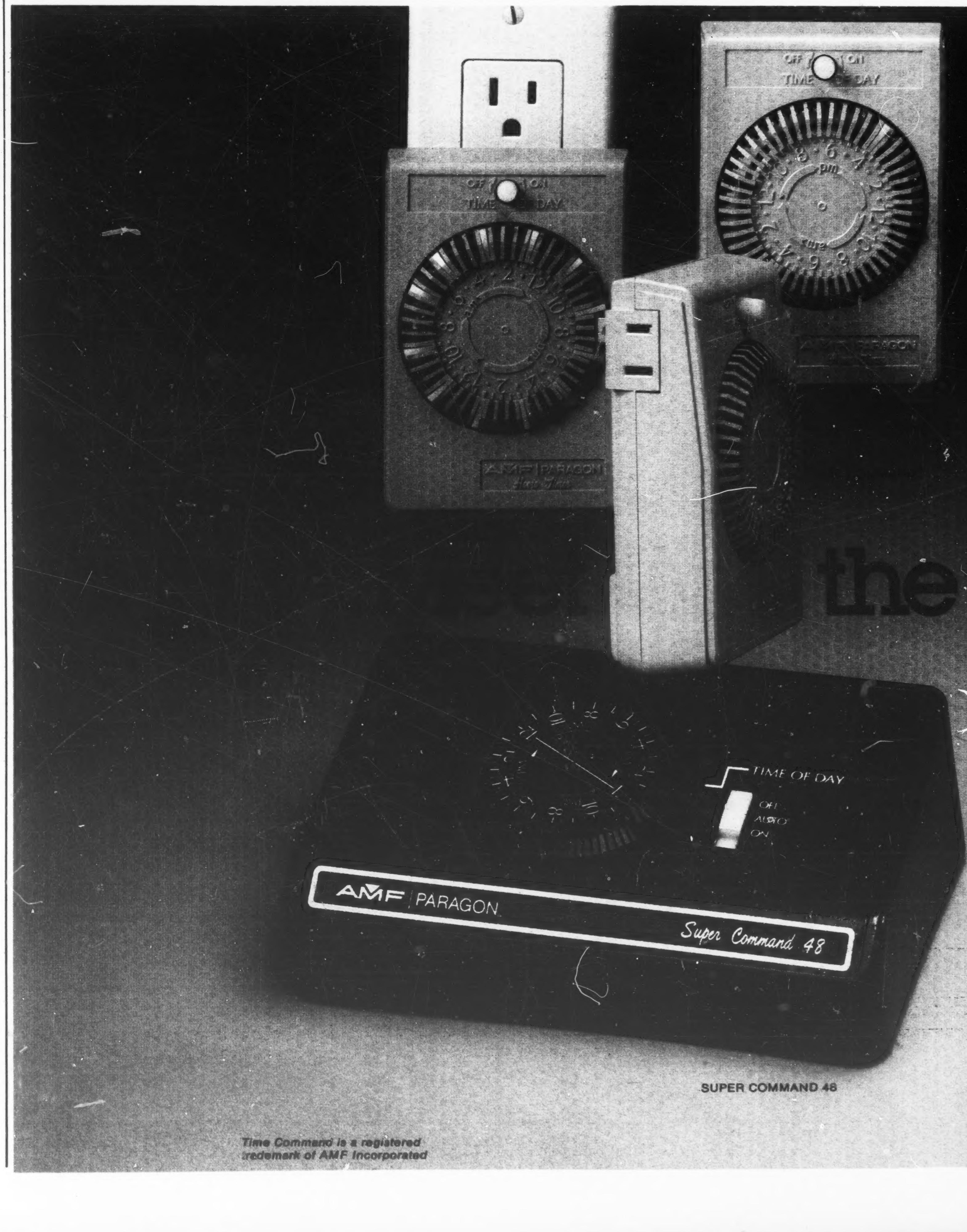
CLEANING & CHEMICALS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3M 16-oz Scotch Guard	8,657	4.67	40,428.19
2	White Labs 16-oz X-14 mildew remover	10,792	2.87	30,973.04
3	Johnson 14-oz Pledge, lemon	11,100	2.60	28,860.00
4	Drackett 26-oz Draino	8,085	2.87	23,203.95
5	Glamorene 24-oz Spray 'N Vac	8,552	2.69	23,004.88
6	Johnson 27-oz Future	6,708	3.41	22,874.28
7	Liquid Gold 14-oz aerosol	6,686	3.23	21,595.78
8	Kaadan 28-oz lamp oil	12,348	1.70	20,991.60
9	Maggic 13-oz Panel Magic	8,109	2.42	19,623.78
10	Bissell 14-oz aerosol unholstry kit	4,380	4.22	18,483.60
11	Missouri Hickory 10-oz Tannery spray	7,596	2.42	18,382.32
12	Johnson 14-oz Pledge	7,044	2.60	18,314.40
13	Johnson 24-oz Glory	6,396	2.69	17,205.24
14	Missouri Hickory 13-oz Tannery liquid	7,008	2.42	16,959.36
15	Texize 64-oz Fantastic refill	5,198	3.23	16,789.54

BATH SHOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Selfix portable shower spray	3,848	8.55	32,900.40
2	Selfix shampoo spray	10,494	1.88	19,728.72
3	Ekco 18" towel bar	9,882	1.79	17,688.78
4	Ekco toilet tissue holder	8,809	1.79	15,768.11

(Continued on page 57)



SUPER COMMAND 48

Time Command is a registered trademark of AMF Incorporated

HOUSEWARES SHOW SECTION

HOUSEWARES

(Continued from page 56)

BATH SHOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
5	Selfix twin hooks	13,153	1.07	14,073.71
6	Ekco 12" towel bar	8,110	1.70	13,787.00
7	Selfix toilet tissue holder	9 378	1.34	12,566.52
8	Ekco toilet tissue holder	7,387	1.61	11,893.07
9	Ekco 24" towel bar	5,484	2.15	11,790.60
10	Selfix 24" towel bar	5,980	1.97	11,780.60
11	Ekco 24" twin towel bar	4,230	2.78	11,759.40
12	Selfix two hooks	14,164	0.80	11,331.20
13	Selfix 18" towel bar	6,868	1.61	11,057.48
14	Selfix hooks, 4-pk	7,687	1.25	9,608.75
15	Compac bath tub appliques	8,415	1.07	9,004.05

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	20-gal Refuse container	5,889	10.75	63,306.75
2	Self-closing wastebasket, chocolate	5,933	6.25	37,081.25
3	10¾" high rect Laundry basket, choc	8,194	4.22	34,578.68
4	10¾" high rect Laundry basket, gold	7,991	4.22	33,722.02
5	Self-closing wastebasket, gold	4,928	6.25	30,800.00
6	10¾" high rect Laundry basket, almond	7,153	4.22	30,185.66
7	15¾" Drainer tray, gold	8,471	3.41	28,886.11
8	5¼" deep sq Dishpan, gold	12,847	2.24	28,777.28
9	Deluxe dish drainer, gold	5,756	4.49	25,844.44
10	Deluxe dish drainer, chocolate	5,661	4.49	25,417.89
11	Deluxe dish drainer, almond	5,655	4.49	25,390.95
12	Self-closing wastebasket, almond	3,995	6.25	24,968.75
13	5¼" dp sq Dishpan, chocolate	11,111	2.24	24,888.64
14	Covered wastebasket, chocolate	3,975	6.25	24,843.75
15	Clean up caddy	6,002	3.95	23,707.90

CORNING WARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Menu-ette set, Cornflower	26,609	16.19	430,799.71
2	6-cup Teapot, Spice	9,537	13.05	124,457.85
3	Sidekick	22,272	5.39	120,046.08
4	Menu-ette set, Spice	5,582	20.69	115,491.58
5	6-cup Teapot, Wildflower	8,128	13.05	106,070.40
6	Menu-ette set, Wildflower	4,788	20.69	99,063.72
7	Menu-ette skillet, Spice	18,210	4.49	81,762.90
8	6-cup Teapot, Cornflower	6,644	11.65	77,402.60
9	Large open roaster, Spice	4,711	16.42	77,354.62
10	Grab-It set	7,544	8.09	61,030.96

PYREX

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3-qt Bake dish w/basket	13,185	11.65	153,605.25
2	4-qt Mixing bowl	38,890	2.96	115,114.40
3	Bake N Serve set, Fireside	9,893	10.75	106,349.75
4	2-qt Casserole w/basket	8,892	11.65	103,591.80
5	2-ltr Beverage jug	31,665	3.14	99,428.10
6	1-qt Casserole	30,427	3.14	95,540.78
7	3-qt Oblong bake dish	16,929	4.04	68,393.16
8	4-pc Mixing bowl set, gold	5,184	11.65	60,393.60
9	1-cup Liquid measure	35,842	1.61	57,705.62
10	2-qt Bake dish w/basket	7,546	7.19	54,255.74

Source: HalMar Distributors

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

East Coast PMA

(Continued from page 56)

with the bigger, the better.

In food storage items, for example, the top sellers included such products as a Lustro-Ware 70-oz. round decanter No. 7, and an Eagle 80-oz. oblong Superseal food container. The size scene in other plastics included a Lustro-Ware 11-qt. heavy duty pan, No. 4 and a Tucker 22-gal. trash can, No. 9.

The bath shop is one of the most basic categories, showing little change in best-selling items. It's the step-up items that discounters look to for added dollars and margin. One showed up on the report as No. 20, a Donner towel bar set in chrome.

Fashion is the big interest in Rubbermaid as discounters and other retailers track movement of the different colors offered for an item. The report has chocolate and gold with seven items each, while almond has three. Failing to score was avocado, indicating the trend away from this hue toward the earth tones.

But this doesn't tell the entire story. Three items showed up in all three of these shades. They were a self-closing wastebasket, a 10¾-in. high rectangular laundry basket and a deluxe dish drainer. In the first two cases, the chocolate color items had the highest unit movement, followed by gold and then almond. The deluxe dish drainer color movement was slightly different with gold first, followed by chocolate.

Different Strategy

What seems to be happening is that for items that don't have to coordinate with previously purchased goods, chocolate comes out on top. But when color coordination is a consideration, gold becomes more important because of the goods in these shades already in the kitchen.

Rubbermaid isn't the only category where fashion is a vital consideration. Corning Ware is another area, with the interest focused on the three different patterns. Spice captured seven listings while Cornflower and Wildflower took four each.

A key to Cornflower's strong showing is its lower price as compared to the same item in the other two designs. A case in point is the Menu-ette set, where the Cornflower offering was No. 1 while the Spice design captured No. 4 and the Wildflower No. 6. The Cornflower edition costs about $4 less.

But for items with a smaller cost spread, the other designs ranked higher than Cornflower.

Clear glass is the sales leader in Pyrex cookware. Five clear glass cookware items made the chart, while amber-colored Fireside cookware only accounted for three listings.

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TIME COMMAND

HOUSEWARES SHOW SECTION

HOUSEWARES

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
TABLETOP					
1	3	Expressions, 20-pc st, Indian Smmr	2,378	62.95	149,695.10
2	1	Expressions, 20-pc st, Wldflwr	2,116	62.95	133,202.20
3	5	Corelle, 20-pc st, wht	3,411	34.15	116,485.65
4	6	Expressions, 20-pc st, Meadow	1,600	62.95	100,720.00
5	2	Corelle, 20-pc set, gold	2,633	35.95	94,656.35
6	4	Corelle, 20-pc set, green	2,596	35.95	93,326.20
7	7	Corelle, 20-pc set, Woodland	2,050	35.95	73,697.50
8	8	Expressions, 20-pc set, Batik	845	62.95	53,192.75
9	—	Royal China 20-pc st, Sante Fe	935	31.50	29,452.50
10	12	Royal China 20-pc st, Sussex	895	31.50	28,192.50
11	9	Expressions, 20-pc st, Bl Hthr	442	62.95	27,823.90
12	—	Royal China 20-pc st, Wdlnd Mgc	819	31.50	25,798.50
13	—	Royal China 20-pc st, Frolic	819	31.50	25,798.50
14	10	Corelle, 20-pc set, blue	689	35.95	24,769.55
15	—	Royal China 20-pc set, Fantasy	650	31.50	20,475.00
16	—	Pyrex Un-Candle, Captains Lamp	2,783	7.19	20,009.77
17	—	Royal China 20-pc set, Dsrt Rse	577	31.50	18,175.50
18	—	Expressions, 20-pc set, April	221	62.95	13,911.95
19	—	Pyrex Un-derwater candle, Neptune	1,932	7.19	13,891.08
20	—	Pyrex Un-derwater candle, Nautilus	1,890	7.19	13,589.10
GLASSWARE					
1	1	Libbey, 24-pc Chivalry	2,185	19.80	43,263.00
2	6	Jeanette, 26-pc pnch bwl st	3,236	12.60	40,773.60
3	2	Libbey, 6½-oz tll wn, Cttn, 4-pk	7,641	5.04	38,510.64
4	3	Libbey, 6½-oz rd wn, Cttn, 4-pk	5,857	5.04	29,519.28
5	10	Libbey, 11-oz wht wn, Cttn, 4-pk	4,690	5.04	23,637.60
6	11	Libbey, 12-oz rd wn, Cttn, 4-pk	4,382	5.04	22,085.28
7	—	Libbey, 6½-oz sherbert, Cttn, 4-pk	3,196	5.04	16,107.84
8	—	Libbey, 12-oz bev, Chivalry, 4-pk	3,437	4.14	14,229.18
9	—	Anchor Hocking 1-gal strg jr w/lid	2,053	6.93	14,227.29
10	5	Libbey, 10-oz goblet, Cttn, 4-pk	2,325	5.58	12,973.50
11	—	Libbey, 16-oz clr, Chvlry, 4-pk	2,825	4.32	12,204.00
12	—	Libbey, 1-oz cordial, Cttn, 4-pk	2,327	5.04	11,728.08
13	—	Anchor Hocking, 4-lb sq cndy jr w/lid	4,162	2.79	11,611.98
14	—	Libbey, 10-oz rocks, Chivalry, 4-pk	2,922	3.87	11,308.14
15	—	Libbey, 20-oz wn, Vino Grande	5,010	2.25	11,272.50
16	4	Anchor Hocking, 7-pc cndmnt st	810	13.50	10,935.00
17	—	Anchor Hocking, 4-pc ic bkt st, Wxfd	727	13.41	9,749.07
18	—	Libbey, 13-oz wine, Vino Grande	3,889	2.25	8,750.25
19	—	Libbey, 5-gal Pig, crystal	379	22.50	8,527.50
20	—	Anchor Hocking, 5-gal jr w/glss lid	1,871	4.50	8,419.50
COOKWARE					
1	2	T-Fal, 7" skillet, rouge	21,586	6.28	135,560.08
2	—	Columbian roaster, Bird	5,874	10.43	61,265.82
3	3	Revere, 2⅓-qt whstl tea kttl	3,451	15.30	52,800.30
4	1	Regal, 10" skillet, SilverStone	5,005	9.88	49,449.40
5	6	Melitta, 10-cup drip coffeemaker	7,181	6.29	45,168.49
6	4	Wear-Ever, 10" chf fry pn, prmm	3,402	10.79	36,707.58
7	—	Mr. Microwave utility cssrl	542	67.50	36,585.00
8	—	Nordic, 12-cup Bundt pan	5,503	6.29	34,613.87
9	—	Enterprise, 7-pc st, French Vanilla	850	40.45	34,380.25
10	—	T-Fal, 10" fry pan	2,083	13.48	28,078.84
11	9	Revere, 2-qt hi-dm cppr kttl	1,172	23.40	27,424.80
12	10	Revere, 1-qt tea kttl, cp-btm	1,266	21.60	27,345.60
13	13	Revere, 3½-qt tea kttl, cpp-btm	1,368	19.80	27,086.40

(Continued on page 63)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Seasonals Hot; Nonstick Scores In Cookware

By Jerry Falk
Executive Vice President,
Bacar Inc. Distributors

Seasonal housewares geared to holiday entertaining generated the main impact on the Product Movement Audit for the West Coast for the Aug. 15 through Nov. 15, 1979, period. It resulted in the first-time appearance on the PMA of such tabletop items as Royal China 20-pc. dinnerware sets in the Woodland Magic, Frolic, Fantasy and Desert Rose patterns, and a Pyrex Un-Candle in the Captain's Table design.

The holiday-oriented merchandising also enabled discounters and other retailers to continue their housewares step-up, with trade-up nonstick items scoring big in the cookware area. An Enterprise 7-pc. set with a French Vanilla design and a SilverStone nonstick finish, for example, showed up as a new item in the No. 9 spot and carried a $40.45 average retail price which is among the higher tags for this line.

Figures supplied by Bacar Inc., of San Jose, Calif., cover 1,300 stores, including 200 discount department stores. Average retail prices listed by the distributor reflect typical price points for discount clients.

Items making their debut on the PMA due specifically to the interest in entertaining were the Aluminum Filter fry filter and Irvin wing corkscrew, Nos. 8 and 16 in gadgets, and the Anchor Hocking 4-pc. ice buck-

(Continued on page 63)

Fast Movers On West Coast

The following "New Items" chart lists the products (and their rank) that are appearing on the Bacar Inc., distributor, housewares PMA for the first time. In addition, under the heading "High Risers" are items (and their rank) that have moved up five or more places from the previously published report.

Category/Item	Rank
NEW ITEMS	
TABLETOP	
Royal China 20-pc st, Wdld Mgc	12
Royal China 20-pc st, Frolic	13

(Continued on page 63)

"We've done it again!"

TV Star William Conrad
First Alert
FAMILY PROTECTION SYSTEM
MULTI-FUNCTION ALARM SYSTEM

Once more retailer successes are proving Pittway has the right product . . . right price . . . and right program!

- **THE PRODUCT** — Pittway's new First Alert Family Protection System™ is a wireless perimeter alarm system that can be expanded to provide complete family protection with optional transmitting smoke and gas detectors, personal emergency transmitters and additional intrusion transmitters.

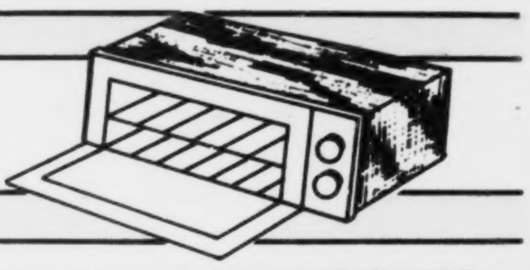
  Key features include: Battery Monitor,™ a unique low-battery checking circuit that monitors the batteries in all intrusion transmitters . . . built-in horn, LEDs and an optional siren that identify the type of emergency . . . and a special test circuit which simplifies installation and allows protected openings to be checked from the console prior to arming the system.
- **THE PRICE** — Pittway's First Alert Family Protection System™ is priced to sell. You can reach exciting promotional price points while ringing up full-margin profits with its many accessories!
- **THE PROGRAM** — Powerful new William Conrad TV commercials . . . national magazine ads in publications such as *Time, Newsweek, People* and *Sports Illustrated* . . . heavy P.R. campaign . . . P.O.S. film . . . everything you need to sell!

AND TO EXPAND THE CATEGORY FURTHER — ANOTHER NEW INTRUSION ALARM TO BE INTRODUCED AT THE HOUSEWARES SHOW!

First Alert
FAMILY PROTECTION SYSTEM

First Alert®
by PITTWAY®
The professionals in home and family protection.

HOUSEWARES SHOW SECTION



Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Seasonals Hot

(Continued from page 62)

et set, Wexford cut, No. 17 in glassware.

At the same time, gearing up for fourth-quarter seasonal needs resulted in a host of housewares moving up strongly on the PMA. Among the items were Pyrex UN-derwater candles in the Neptune and Nautilus designs, Nos. 19 and 20 in tabletop; a Columbian roaster, No. 2 in cookware; Foley nylon baster, Ekco cake rack and Foley rolling pin, Nos. 9, 14 and 20 in gadgets; Plastic Mfg. 5-qt. mixing bowl, No. 8 in plastics; Curity 2-yd. cheese cloth, No. 19 in cleaning and chemicals; large open roasters in the Wildflower and Cornflower patterns, Nos. 19 and 20 in Corning Ware, and 9-in. pie plate and 6-oz. custard cup, Nos. 17 and 18 in Pyrex.

What shouldn't be overlooked in examining the holiday-oriented housewares is the fact that many are basic everyday items. They just don't show up during most other times of the year because their low average retail price and/or low unit movement doesn't propel them into the top 15 or 20 listings in their classifications.

Good examples of this are the nylon baster and the rolling pin

(Continued on page 64)

West Coast

(Continued from page 62)

Royal China 20-pc st, Fantasy	15
Pyrex Un-Candle, Cptn's Lmp	16
Royal China 20-pc set, Dsrt Rs	17

GLASSWARE

Anchor 1-gal strg jr w/ld	9
Anchor 4-pc ice, bckt st, Wxfrd	17
Anchor 5-gal strg jr w/lid	20

COOKWARE

Enterprise 7-pc st, Frnch Vnl	9
Revere 3-pc bwl st w/rngs	18

GADGETS

Almnm Filter fry crsp fltr	8
Irvin wing corkscrew	16

PLASTICS

Sterilite hndy cddy	18

CLEANING & CHEMICALS

Gem dlx spng mp w/scrb	15

HIGH RISERS

TABLETOP

Royal China 20-pc st, Snt Fe	9
Pyrex Un-derwater cndl, Nptn	19
Pyrex Un-derwater cndl, Ntls	20

GLASSWARE

Libbey 11-oz wh wn, Cttn	5
Libbey 11-oz rd wn, Cttn	6
Libbey 6½-oz shrbt, Cttn	7
Libbey 12-oz bv, Cttn	8
Libbey 16-oz clr, Cttn	11
Libbey 1-oz crdl, Cttn	12
Anchor 4-lb sq cnd jr w/ld	13
Libbey 10-oz rcks, Cttn	14
Libbey 20-oz wn, Vn Gnrd	15
Libbey 13-oz wn, Vn Grnd	18
Libbey 5-gal Pig, crstl	19

(Continued on page 64)

HOUSEWARES

(Continued from page 62)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
COOKWARE					
14	—	Anchor Hocking Microwave bcn grll	4,431	6.02	26,674.62
15	5	Columbian, 7-qt cnnr jr, bl	1,823	14.35	26,160.05
16	8	Revere, 8-qt stck pt, cppr-cld	759	34.20	25,957.80
17	12	Vollrath, 13-qt mix bwl, stnlss stl	2,617	9.90	25,908.30
18	—	Revere, 3-pc bwl st w/rings	1,493	16.20	24,186.60
19	—	T-Fal, 12" fry pan	1,577	15.28	24,096.56
20	7	Revere, 12-qt stck pt, cppr-cld	500	47.70	23,850.00
GADGETS					
1	1	Melitta, #6 fltr ppr, 100-ct	7,680	3.59	27,571.20
2	3	Swing-A-Way, hnd cn opnr, Harvest	4,867	3.58	17,423.86
3	2	Range Kleen, 8" GE rng pn	9,145	1.80	16,461.00
4	7	Lux timer, white	2,505	6.28	15,731.40
5	5	Swing-A-Way, hnd cn opnr, chclt	4,326	3.58	15,487.08
6	8	OK, 12"x14" ovr-snk brd	1,988	7.65	15,208.20
7	4	Range Kleen, 6" GE rng pn	10,560	1.35	14,256.00
8	—	Aluminum Filter fry crsp fltr	5,206	2.68	13,952.08
9	—	Foley nylon baster	15,565	0.88	13,697.20
10	6	Tricolator, 3½" Norelco fltr ppr	9,489	1.43	13,569.27
11	—	Lux timer, Avocado	1,962	6.28	12,321.36
12	—	E-Z Foil, electric burner bibs	7,083	1.70	12,041.10
13	10	Range Kleen, 8" refl pan	5,874	1.80	10,573.20
14	—	Ekco 10½"x16" ck rck	4,700	2.24	10,528.00
15	—	E-Z Foil oven liner	6,144	1.70	10,444.80
16	—	Irvin wing corkscrew	3,180	3.23	10,271.40
17	13	Range Kleen, 6" refl pan	7,321	1.35	9,883.35
18	9	Grayline 8-slot lid rck	3,571	2.68	9,570.28
19	12	Range Kleen, 8" refl pn, spr elem	3,102	2.92	9,057.84
20	—	Foley rling pn, bll brng	3,373	2.68	9,039.64
PLASTICS					
1	2	Tucker, 30-gal grbg cn	1,558	11.68	18,197.44
2	1	Frigidaire ice cb try	9,596	1.52	14,585.92
3	6	Republic 1½-pt uprite Frztt st	4,932	2.51	12,379.32
4	—	AFA/Thiokol 16-oz spry bttl	9,215	1.34	12,348.10
5	10	Republic 1-qt uprite Frztt st	4,758	2.51	11,942.58
6	14	Republic 1-pt uprite Frztt st	3,809	2.51	9,560.59
7	8	Republic Frztt ck srvr	2,118	4.48	9,488.64
8	—	Plastic Mfg 5-qt mx bwl	3,254	2.87	9,338.98
9	5	Republic 6½ flt Frztt	2,586	3.58	9,257.88
10	4	Republic 2-qt Frztt rfrg bttl	6,768	1.34	9,069.12
11	7	Republic 3-qt flt Frztt	4,800	1.88	9,024.00
12	9	Republic ½-gal uprt Frztt	5,856	1.52	8,901.12
13	3	Loma 32-gal trsh cn, Avcd	672	12.59	8,460.48
14	—	Republic Frztt loaf cntnr	2,286	3.58	8,183.88
15	12	Republic 2½-ltr rnd jr, Frzztt II	4,554	1.78	8,106.12
16	15	Republic 2½-pt flt Frztt	5,268	1.34	7,059.12
17	—	Republic 12-oz uprite Frztt	2,724	2.51	6,837.24
18	—	Sterilite Handi Cddy	3,864	1.70	6,568.80
19	13	Tucker, 6-gal trsh cn	1,420	4.48	6,361.60
20	—	Arrow, 16-oz Rnbw Tmblr	11,460	0.53	6,073.80

(Continued on page 64)

PAAS®

Easter Egg Color Kits and Easter Grass

• Cold water fizz tablets

PAAS
Pure Food
$1.39
Cold water fizz tablets
Happy Easter
89¢
Easter Grass

• Non-flammable

• In Green, Yellow, Pink or Orchid

The Perfect Set Ups for Easter Profits!

For maximum sales and profits, build your Easter promotions around these colorful, traffic-building PAAS floorstands. PAAS is the name your customers recognize and buy.

PAAS *will be nationally advertised during the peak selling season in programs such as Captain Kangaroo® and Saturday morning children's programming.*
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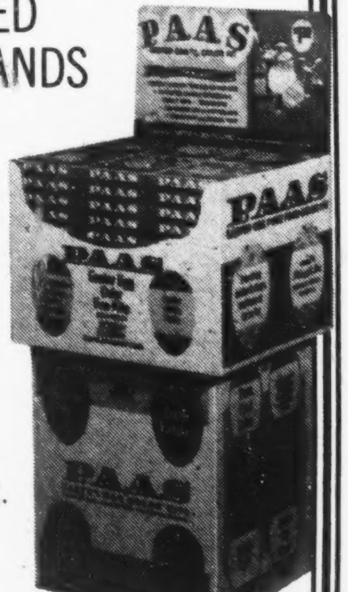
AVAILABLE IN 3 DIFFERENT PREPACKED FLOORSTANDS

$1.39* Kits packed 6½ dz. per floorstand

99¢ Kits packed 6⅔ dz. per floorstand

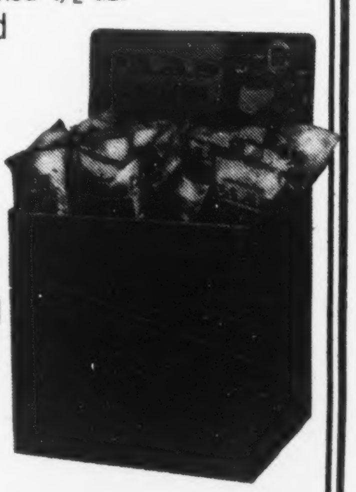
69¢ Kits packed 19½ dz. per floorstand



AVAILABLE IN 4 DIFFERENT PREPACKED FLOORSTANDS

89¢ Grass (2¾ oz.) packed 4½ dz. per floorstand (Green only **or** assorted colors)

59¢ Grass (1½ oz.) packed 8 dz. per floorstand (Green only **or** assorted colors)



*All prices suggested retail.

HOUSEWARES SHOW SECTION

HOUSEWARES

(Continued from page 63)

CLEANING & CHEMICALS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Mop-A-Matic spng mp	3,404	11.65	39,656.60
2	3	National corn brm ecnm	5,472	3.32	18,167.04
3	4	Magla latex glvs, mdum	12,586	1.16	14,599.76
4	2	Kellogg 14" patio brm, Plmr	3,602	3.50	12,607.00
5	5	Hoover vcm bgs, uprght	12,228	0.90	11,005.20
6	7	Magla latex glvs, lrg	9,260	1.16	10,741.60
7	9	Magla ltx glvs, smll	8,604	1.16	9,980.64
8	6	3M Scotch Brt, scrng pd	18,708	0.53	9,915.24
9	13	Quickie atmtc spng mp	1,236	6.29	7,774.44
10	—	O-Cel-O hnd spng	9,560	0.80	7,648.00
11	14	Ballonoff cppr dstpn	4,884	1.52	7,423.68
12	—	Protecto mth blls, 10-oz	5,844	1.25	7,305.00
13	10	Hoover Dialamatic vcm bgs	7,910	0.90	7,119.00
14	—	McClung crn brm, snflwr	962	7.19	6,916.78
15	—	Gem dlx spng mp w/scrb	1,272	5.38	6,843.36
16	—	National crn brm, brwn	1,224	5.57	6,817.68
17	—	Eureka uprght vcm bgs	7,534	0.90	6,780.60
18	11	Associated vcm bgs, uprght	7,476	0.90	6,728.40
19	—	Curity chs clth, 2-yd	7,069	0.88	6,220.72
20	—	National crn brm	930	6.56	6,100.80

BATH SHOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Grayline large shower caddy	7,907	4.48	35,423.36
2	2	Grayline shower caddy	9,108	2.68	24,409.44
3	—	Kellogg bowl brush, plastic	5,331	0.89	4,744.59
4	—	Selfix twin hooks	4,188	1.07	4,481.16
5	3	Selfix shampoo spray	2,024	1.88	3,805.12
6	4	US household appliques, frogs	1,764	1.97	3,475.08
7	5	Selfix portable wall/hand shower	347	8.54	2,963.38
8	6	Ekco 18" towel bar, chrome	1,452	1.78	2,584.56
9	12	3M toilet bowl brush	973	2.51	2,442.23
10	7	Ekco 24" towel bar, chrome	1,110	2.16	2,397.60
11	10	US household appliques, mshrms	1,188	1.97	2,340.36
12	9	Ekco 12" towel bar, chrome	1,368	1.70	2,325.60
13	—	Arrow bath caddy, pearltone	1,655	1.34	2,217.70
14	13	Selfix gripper soap holder	1,662	1.07	1,778.34
15	—	Borg scale, Williamsburg Gold	99	17.09	1,691.91

RUBBERMAID

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	32-gal Trash can, chocolate	1,898	20.65	39,193.70
2	1	32-gal Trash can, avocado	1,832	20.65	[illegible]
3	6	Single turntable, sand	9,932	1.78	[illegible]
4	—	Twin turntable, sand	4,784	3.41	16,313.44
5	3	Clean-up caddy	4,017	3.95	15,867.15
6	—	Twin turntable, gold	4,309	3.41	14,693.69
7	7	Single turntable, gold	8,036	1.78	14,304.08
8	5	12" Slide-out drawer	2,243	6.25	14,018.75
9	4	16" Slide-out drawer	1,878	7.15	13,427.70
10	9	Storage turntable, sand	2,025	5.38	10,894.50
11	—	Wrap and bag organizer	2,752	3.95	10,870.40
12	8	Shelf liner, cane, chocolate	8,148	1.25	10,185.00
13	—	Ironing organizer	2,547	3.95	10,060.65
14	—	Shelf & drawer liner, cane, chocolate	7,978	1.25	9,972.50
15	15	15" high Wastebasket, chocolate	2,817	3.41	9,605.97

CORNING WARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Trio set, Spice	5,598	20.69	115,822.62
2	2	Grab-It set	6,524	8.09	52,779.16

(Continued on page 69)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Seasonals Hot

(Continued from page 63)

in gadgets. In the previous report, the baster had a unit movement of only 2,995 as compared to the current report's 15,565. The rolling pin had a unit movement of only 1,003 as against the 3,373 on the current report.

Both items, along with many of the other holiday-oriented products, are basics that form the backbone of housewares. These items "star" during specific times of the year as discounters and other retailers buy-in for each product's peak selling period.

Despite the importance of the seasonal items, a number of other directions were also evident in the PMA.

In tabletop, the new Batik design for Expressions dinnerware seems to be holding its own and ranked No. 4 among the Expressions sets that made the PMA. It was ahead of Blue Heather, with that design acknowledged as the weakest now that April has been discontinued. (Goods in the April design are still available.)

Sets captured the top two listing in glassware. The important fact, however, is that Libbey's Chivalry pattern was No. 1 on the list, with a 24-pc. set,

(Continued on page 69)

West Coast

(Continued from page 63)

COOKWARE

Columbian rstr, Brd	2
Mr Microwv utlt cssrl	7
Nordic 12-cup Bndt pn	8
T-Fal 10" fry pn	10
Anchor Mcrwv bcn grl	14
T-Fal 12" fr pn	19

GADGETS

Foley nlyn bstr	9
Lux timr, wh	11
E-Z Foil elctrc brnr bbs	12
Ekco 10¼" x 16" ck rck	14
E-Z Foil ovn lnr	15
Foley rllng pn, bll brng	20

PLASTICS

AFA/Thiokol 16-oz spr bttl	4
Republic 1-qt uprt Frzt st	5
Republic 1-pt uprt Frzt st	6
Plastic Mfg 5-qt mxng bwl	8
Republic frzt lf cntr	14
Republic 12-oz uprte Frztt	17
Arrow 16-oz Rnbw tmblr	20

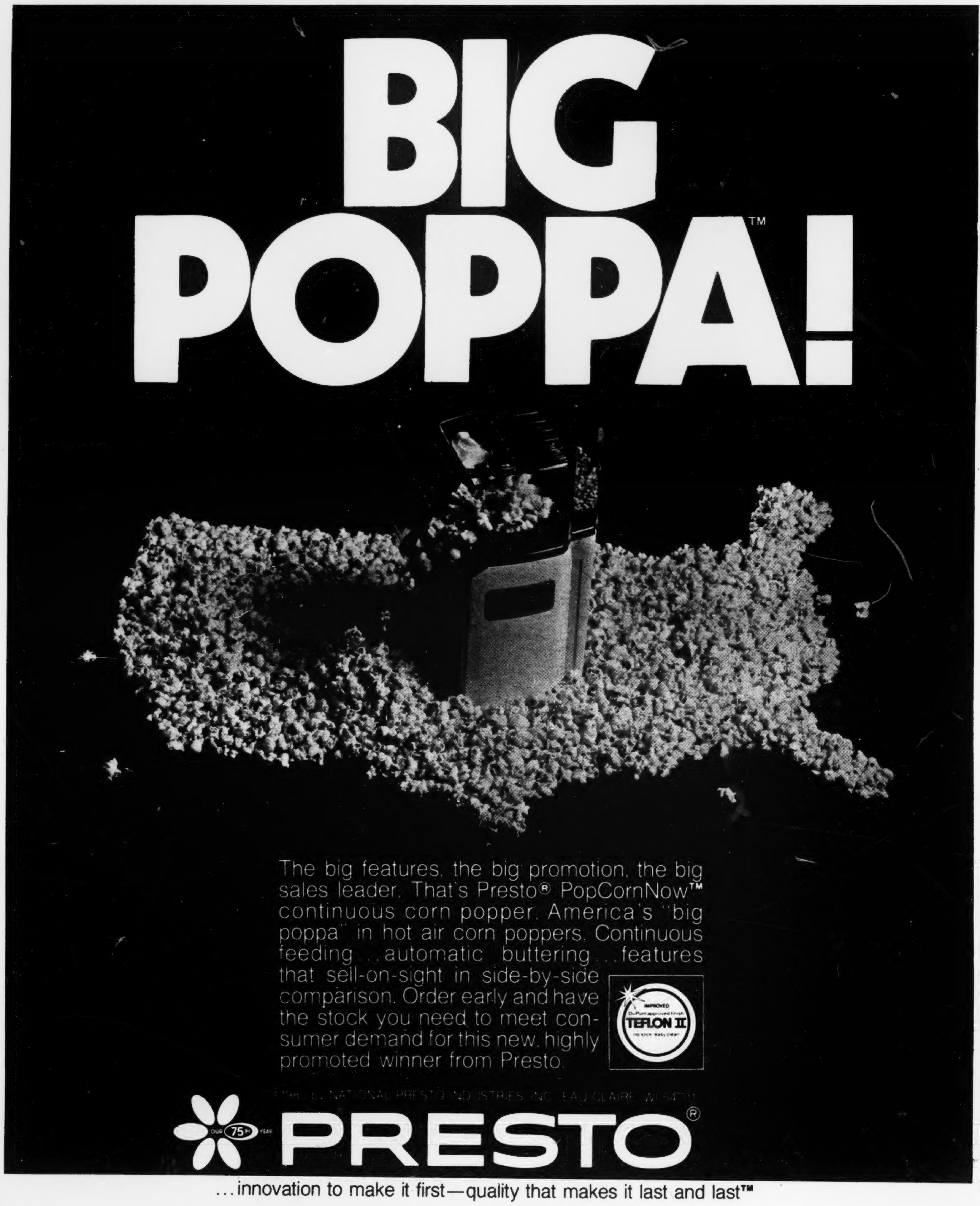
CLEANING & CHEMICALS

O-Cel-O hnd spng	10
Protector 10-oz mth blls	12
McClung crn brm, snflwr	14
National crn brn, brwn	16
Eureka uprt vacm bgs	17
Curity 2-yd chs clth	19
National crn brm	20

BATH SHOP

Kellog bwl br, plst	3
Arrow bath cddy, prltn	13
Borg scl, Wllmsbrg gld	15
Borg, scl, Wllmsbrg brwn	16
Ekco 24" twl br, die cst	18
Ekco twl rng, plst	19
Selfix 24" twl br	20

(Continued on page 69)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The big features, the big promotion, the big sales leader. That's Presto® PopCornNow™ continuous corn popper. America's "big poppa" in hot air corn poppers. Continuous feeding ...automatic buttering ...features that sell-on-sight in side-by-side comparison. Order early and have the stock you need to meet consumer demand for this new, highly promoted winner from Presto.

IMPROVED DuPont approved finish TEFLON II no stick · easy clean

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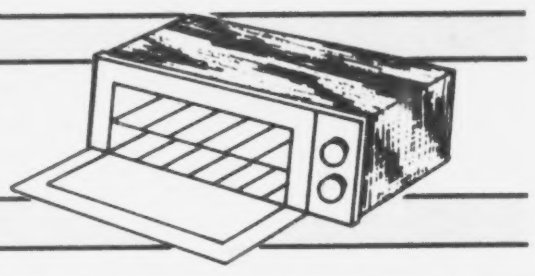
HOUSEWARES SHOW SECTION



Seasonals Hot on West Coast

(Continued from page 64)

while three other Chivalry items made the chart. The clean lines of the design seem to have made it almost an instant success and it was the only beverageware to make the PMA.

Also high on the list, particularly during the last quarter, was stemware. Libbey's Citation pattern captured seven places for items ranging from 1-oz. cordials to 10-oz. goblets and 10-oz. on-the-rocks glasses.

Two different types of step-up cookware made the report. One was high-end nonstick coatings as seen in the three T-Fal listings.

The other trend was in step-up all-metal cookware, with Revere capturing seven places. One was for a 12-qt. copper-clad stock pot that had a $47.70 average retail price, one of the highest for any single housewares piece in the report.

Large garbage cans are by far the best sellers in the plastics area. The No. 1 item in the category was a Tucker 30-gal. can while a Loma 32-gal. offering was No. 13. But the dominant plastics continued to be Republic's Freezette line, which captured 11 places.

The interest in large-size garbage cans was also seen in the Rubbermaid listing, where 32-gal. units were Nos. 1 and 2. The difference, however, is that these items were the top sellers despite the fact that they are much higher in price—$20.65 as the average retail—than their promotional counterparts. Name brands can and do enable discounters to step up successfully in housewares.

Higher priced goods also captured the top spots in the bath shop as Grayline shower caddies were the Nos. 1 and 2 items, a Selfix shower was No. 7 and an Ekco 24-in. die-cast towel bar was No. 18.

While most housewares manufacturers haven't had any problem delivering goods, Corning Glass is an exception. In the Pyrex area, clear cookware dominates and movement for the merchandise would have been even greater if it weren't for supply problems for most clear Pyrex items.

The Autumn Harvest design, introduced at the July housewares show, has started to make an impact and the popular 4-pc. mixing bowl set in this pattern was No. 6.

Corning Ware items geared for singles and small families captured three of the top four listings. The two different Grab-Its and the Sidekick were beaten out for the top spot by the Trio set, which was one of the better sellers last year.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

HOUSEWARES

(Continued from page 64)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
CORNING WARE					
3	4	Grab "4" It set	3,027	15.29	46,282.83
4	3	Sidekick	7,980	5.39	43,012.20
5	8	Menu-ette set, Spice	1,929	20.69	39,911.01
6	7	Kitchen Starter set, Spice	1,083	34.19	37,027.77
7	14	Microwave browning grill	1,893	19.35	36,629.55
8	—	Menu-ette set, Wildflower	1,692	20.69	35,007.48
9	6	Kitchen Starter set, Wildflower	985	34.19	33,677.15
10	11	6-cup Teapot, Spice	2,344	13.05	30,589.20
11	13	Cook's Choice set, Wildflower	605	48.59	29,396.95
12	—	Large Counter-Saver, Spice	1,386	18.89	26,181.54
13	—	6-cup Teapot, Wildflower	1,952	13.05	25,473.60
14	—	Large Counter-Saver, Wildflower	1,233	18.89	23,291.37
15	—	Large Counter-Saver, Cornflower	1,341	17.09	22,917.69
PYREX					
1	1	3-qt Oblong bake dish	11,311	4.04	45,696.44
2	2	3-qt Utility dish w/basket	3,055	11.65	35,590.75
3	3	4-pc Canister set, Spice	2,660	10.79	28,701.40
4	5	2-qt Oblong bake dish	7,192	3.59	25,819.28
5	6	1-cup Liquid measure	14,905	1.61	23,997.05
6	15	4-pc Mixing bowl set, Autumn Harvest	1,924	11.65	22,414.60
7	4	4-pc Canister set, Wildflower	1,876	10.79	20,242.04
8	13	4-pc Mixing bowl set, gold	1,728	11.65	20,131.20
9	8	7" Pie plate	13,109	1.34	17,566.06
10	7	2-qt Serving pitcher	2,500	6.25	15,625.00

Source: Bacar Inc.

Up 'n' Coming

(Continued from page 64)

RUBBERMAID	
Twin trntbl, snd	4
Twin trntbl, gl	6
Wrap and bg orgnzr	11
Ironing organizer	13
Shelf & drwr lnr, cn, choc	14
18"-hi Wstbskt, choc	16
Deluxe dsh drnr, almnd	17
15¾" Drnr try, gold	20
CORNING WARE	
Microwave brwng grl	7
Large Cntr-Svr, Sp	12
6-cup Teapot, Wldflwr	13
Large Cntr-Svr, Wldflw	14
Large Cntr-Svr, Crnflwr	15
Cook's Choice, Spice	16
2-qt Saucepan, Spice	18
Large open rstr, Wldflwr	19
Large open rstr, Crnflwr	20
PYREX	
4-pc Mixing bwl st, Atmn Hrvst	6
4-pc Mixing bwl st, gld	8
4-pc Mixing bwl st, Wdlnd	11
4-pc Mixing bwl st, gr	13
9" Pie plate	17
6-oz Custard cup, 4-pk	18
1-qt Liquid measure	19

Some No-shows Prefer Distribs

The National Housewares Manufacturers Association asserts that it's important to attend the January housewares show to see firsthand what's new. But some electric housewares buyers don't agree and expected to miss the show.

One merchandiser for a Midwest discounter—who also buys consumer electronics—summed up the situation by noting that his electric housewares distributor will show him the new items and report the latest deals a week or two before the show "so why should I waste my company's money and my time when I have other things to do?"

He plans to attend the Consumer Electronics Show because "that's the only place to see the new products and make deals with manufacturers. There aren't any consumer electronics distributors."

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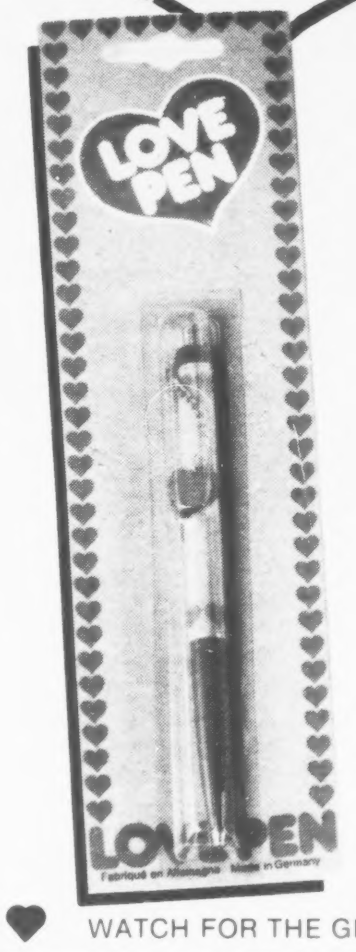

Portable Lighting Center
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Propane Lantern
Double Mantle Propane Lantern
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7/30/80 C5150-203

Diet Products Top H&BA PMA: Pp. 18-21

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Korvettes to Follow Firings With Turnaround Program

Cashier
Cashier
NORELCO NOREL
NORELCO NOREL

Korvettes' president Nicholas Palihnich (right) and DSN's publication director Stu Horton discuss Korvettes' merchandising problems during a tour of the Douglaston, N.Y., store. (DSN photo)

NEW YORK—Korvettes asserts it is going to do more than just fire employees to turn itself around.

The 50-store discounter at presstime was due to reveal the new financial and merchandising program that is at the heart of its turnaround effort.

Earlier this month Korvettes dismissed 300 employees—including six vice presidents—to bring to 1,500 the number let go since April 1979 when Agache-Willot acquired the chain from Arlen Realty & Development Corp. for $35 million.

(Agache-Willot since then has pumped in about $60 million to maintain Korvettes in the face of a number of financial problems, including a lack of confidence among some vendors.)

The firings, which reduced Korvettes' employees to about 8,500, were a vital element in the first stage of the turnaround effort, which focused on reducing expenses.

Korvettes executives confirmed that the second stage—the financial and merchandising changes—will include the closing of some stores and converting of excess space in others.

The executives have emphatically denied persistent reports that as many as 15 stores would be closed and that units outside of the Metro New York Area would be cut back most heavily.

A spokesman told DSN: "We deny any wholesale closing of stores outside of New York and any plan to become just a metro New York chain."

He asserted: "Korvettes plans only a small number of closings. We are in the midst of reviewing Christmas sales and are holding discussions with landlords, so we can't tell the number."

DSN spoke with landlords (other than Arlen) that own some shopping centers housing Korvettes stores, and no one reported any Korvettes plans to

(Continued on page 26)

CE Mfrs.' Average Price Boosts Are Less Than Buyers Feared

LAS VEGAS—Many discounters were pleasantly surprised at the winter Consumer Electronics Show when cost increases in key lines turned out to be more moderate than feared.

"I expected to find that prices would be up an average of 10%-15%," said an ALCO spokesman. "I haven't figured out what the increases average out to, but it is a lot less than I anticipated. Some items increased in price, but others decreased."

A Heck's buyer, the first representative the chain has ever sent to the show, said prices for calculators and LCD watches would be lower for 1980.

"We've always gone in and out with LCD's and we were offered a very exciting price for a Casio chrono alarm. The cost is about $19 so we'll sell it at $29.85 everyday and $5 less on ad. That's a fantastic price for a chrono alarm. It has a plastic band, but at that price I don't think that will hurt it."

Heck's also committed itself at the show to a pocket-sized printing calculator on an in-and-out basis at tax time. The calculator, made by Canon, has a display as well as the printing capability, and will retail for $69 everyday and $54 on promotion.

While exhibitors displayed many new high-end products, most new offerings of interest to discounters were derivations of existing merchandise.

"At some past shows, there were whole new lines that we could go with, but this year's show was limited mostly to refinements," a Gaylords spokesman said.

Buyers for Nichols, Gaylords and ALCO, among others, said manufacturers sought to whet discounters' appetites with private previews of facelifts for au-

(Continued on page 7)

UFCW's Local 888 Wins a Mays Election

Woolco Fights New Rule Allowing Unions To Approach Workers on Store Property

NEW YORK—Woolco has launched a legal attack against a ruling that allows a union for the first time to solicit workers on store property.

The discounter has filed an exception to the decision (made by National Labor Relations Board administrative law judge Stanley Ohlbaum) which allows a union to distribute literature and talk with clerks on sidewalks in front of stores and in in-store public restaurants.

The ruling in favor of Local 101, International Brotherhood of Craftsmen, Professional Workers and Allied Trades (IBCPW), came at the same time that the NLRB, in a separate action, certified Local 888, United Food & Commercial Workers (UFCW), as the bargaining agent for clerks in J. W. Mays' 14th Street, New York City, store.

A Local 888 petition for representative elections at Mays' stores in downtown Brooklyn and in Jamaica, N.Y., is pending before the NLRB.

The union won an election at Mays' 14th Street store by a 280 to 50 vote, with 104 ballots challenged by the discounter. It was the first time in almost 30 years that a union won a representative election at a major retail store in the Greater New York area and followed various efforts by the local to organize Mays during a 12-year period.

The Mays balloting was among the few elections won by unions, according to recent results reported by the NLRB.

A DSN tally of the four latest

(Continued on page 22)

Discounting Week

NEW RINK'S. Gray Drug has opened a new Rink's discount store in Marion, Ohio. The 75,000-sq.-ft. unit has new fixtures, a yellow and orange decor, and improved department identification.

WOOLWORTH PROMOTIONS. Ellis W. Smith, senior vp of finance, has been named exec vp of finance. VP and general counsel Arnold Anderson has been named a senior vp.

JEWELCOR DIVESTMENT. Jewelcor suffered a pretax loss of $131,500 from the sale of its 50% interest in Jewelcor Dai'ei, which had one showroom in Hawaii, to Dai'ei, a major Japanese retailer. Jewelcor was owed $807,000 in cash and inventory, and received $550,000 in cash and $152,000 in inventory, for a deficit of $105,000.

SWITCH. Jack Doyle, regional vp for Target in Texas, has joined Gold Circle as senior vp of store operations.

TOWERS SHIFT. Towers, the seven-unit catalog showroom division of Gaylords, has switched coordinators, going from Jewelcor to Creative Merchandising. The move will pit Towers against two other Creative members, Basco and Dahlkemper in the Pittsburgh market and Basco in Wilmington, Del.

Jefferson to Double Philly-Area Ante If It Closes Deal for Dozen Two Guys

PHILADELPHIA—Miami-based Jefferson Stores could double its entry into this market area if a deal being negotiated with Vornado, operator of Two Guys discount stores, goes through.

By several reports, Jefferson and Vornado agreed that Jefferson would acquire some dozen Two Guys units in Pennsylvania and southern New Jersey at DSN's presstime. This was not confirmed by officials at the two firms, however.

Vornado treasurer Norman Potash said closing of the deal "had not happened yet." Jefferson's senior vp of marketing Joel Peney said: "There are negotiations going on with Vornado, but I do not have information right now that the deal has been closed."

The two firms were reportedly close to agreement, and at presstime there seemed little doubt that the deal would be completed.

A spokesman at Jefferson parent Montgomery Ward said: "We are talking lease and not purchase at this point."

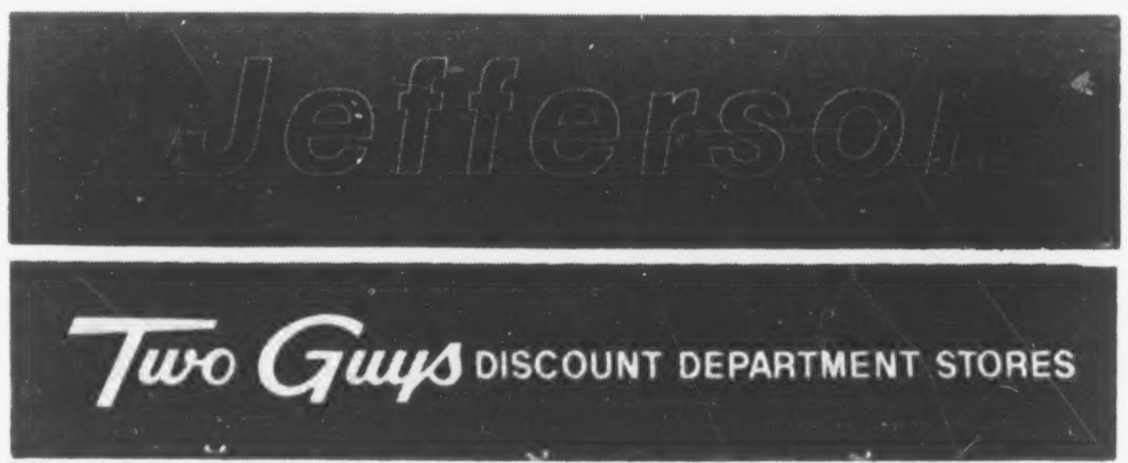
A completed deal would raise Jefferson's store count to over 20 in the Greater Philadelphia area.

Jefferson acquired 11 nearby sites last year from J. M. Fields, which are scheduled for spring openings.

Jefferson also bought out 10 Almart/Hunter stores last year. Almart stores operating now will also be converted to Jeffersons in the spring, giving Jefferson units in Wilmington, Del., to the south of Philadelphia and in Bethlehem, Pa.

Vornado, for its part, has announced its intention to con-

(Continued on page 5)



Miami-based Jefferson will soon stretch its discount units, if not its palm trees, to the Philadelphia area. It hopes to include Two Guys stores among its sites there. (DSN photos)

Dental Centers Project Bigger Impact in Discountland

(Last of a series on dental centers in discount stores.)

In the fall of 1977, Dr. Allan Gutstein opened the first dental center in a discount store, a four-chair facility in the Times Square Store in Hempstead, N.Y.

Now, a little more than two years later, Gutstein's corporation, Universal Dental Centers, has moved into six other TSS stores, with four additional openings in that chain scheduled for the next year or so.

But UDC is not the only dental corporation that has set up shop in discount stores. Other centers have sprung up around the country, including:

- The Dental Office with facilities in two Jefferson stores in Miami;
- Denticare Professional Services in Alexander's, Valley Stream, N.Y.;
- Family Dental Centers with three offices in Venture stores in the Greater St. Louis area;
- Family Dental Services in Korvettes, the Bronx, N.Y.;
- K & K Family Dental Services in Jamesway, Ledgewood, N.J.;
- Lynnwood Family Dental Center in Fred Meyer, Lynnwood, Wash.;
- Nu Dimensions Dental Services in two Two Guys in New Jersey, and
- Richmond Dental Service in two discounters, Majors and Masters, Staten Island, N.Y.

In addition, a number of discount chains contacted by *Discount Store News* confirmed that they were exploring the possibility of leasing dental space.

What are the major factors behind the apparent success and rapid proliferation of dental centers in discount stores?

According to Curtis O. Gudmundson, a spokesman for the Family Dental Center in Venture, price is one reason, but convenience is surprisingly important as well.

"We did some research into why our patients are coming in; originally, we thought that price would be the big consideration," Gudmundson said.

"However, we discovered that our convenient hours are a major factor, too. We now book more appointments at night than during the day. Location is another part of that convenience. Most of our patients live near the store."

Whereas the traditional dental practice operates only four-and-a-half days a week, the fa-

(Continued on page 12)

In hobbies, most discounters are sticking to the low-ticket, fast-turning plastic model kits that are given a massive display here at T.G. & Y. in Del City, Okla. (DSN photo)

Discounters Stick to Low-end Hobbies; They're Missing the Boat, Say Mfrs.

Nationwide DSN Report

Despite the promise of high gross margins, high-ticket sales and year-long business, discounters are shying away from sophisticated hobby assortments and sticking to fast-turning plastic model kits and the simplest toy train and car sets.

Hobby manufacturers and industry spokesmen say discounters are missing profits by merchandising hobbies with toys and carrying only low-end goods. But discounters point out that lack of space, service and risk of shrinkage require that they play it safe with simple assortments.

"We preach that a hobby is not a toy," said Richard Bennett, director of services for the Hobby Industry of America, national trade association. "The hobbyist doesn't like to shop in a toy department—it's almost demeaning."

Bennett noted that while toys are heavily promoted and often used as loss leaders, margins on hobby items can go as high as 55%.

"There are no fad items," he noted. "The repeat sale is there."

Bennett and hobby manufacturers also complain that hob-

(Continued on page 12)

Zale Names Bailey President Of Expanding O. G. Wilson

DALLAS—Zale Corp. has named Glenn Bailey president of O. G. Wilson as part of the diversified specialty retailer's stepped-up focus on its catalog showroom operation.

Other moves planned for the 13-showroom chain include:

- Opening a 50,000-sq.-ft. Dallas warehouse this spring, which can be expanded to 150,000 sq. ft. next year.
- Unveiling two new showrooms this fall and three next spring, increasing chain footage by 70%.
- Expanding the six-person merchandising staff to 12 to 15 merchandisers and assistant merchandisers by this fall.
- Converting all stores to NCR electronic registers from older Singer point-of-sale terminals.

Bailey succeeds Jules Pase who was promoted to a Zale corporate vice president post in the jewelry division.

The five new showrooms that Wilson is already committed to open in the next 15 months are: a 60,000-sq.-ft., unit in North Dallas adjacent to the Prestinwood Mall, and a 20,000-sq.-ft. store in Midland, Tex., in the Midland Mall this fall; and 60,000-sq.-ft. showrooms in San Antonio adjacent to the Ingram Mall, and in Killeen, Tex., in the Killeen Mall, and a 50,000-sq.-ft. unit in Victoria, Tex., in the Victoria Mall in the spring of 1981.

(Continued on page 7)

Spotlight on: Eye-catching Graphics

Fashion Shoppers Get the Picture at Venture

Way Out Western
Way Out Western

Eye-catching graphics are becoming the mainstay of fashion departments at trade-up chains like Venture and Target.

The huge posters have the same function as mannequins in showing how apparel can be worn, but are less expensive and easier to maintain, while providing greater eye appeal and customer stopping power.

Sweater Stop

Venture is using these fashion photos in its men's and women's sportswear departments. At left, a poster promotes the western look in men's tops and bottoms at the chain's unit in the Norridge section of Chicago. In the women's department (r.) of the same store, a smaller graphic beckons shoppers to the "Sweater Stop." (DSN photos)

This Issue...

GREEN L&G YEAR. Buyers look for 1980 to be a banner year in lawn & garden sales. Last year's move to higher-ticket mowers and trade-up string trimmers is expected to intensify, though mower costs are up. Patio goods are also looked to for exceptional volume this year, as chains move to better lines of furniture and stock up on gas grills and accessories. (P. 14)

BOOKWORMS IN. Establishment of family reading centers is increasing. Discounters are in some cases uniting sku's that were dispersed throughout the store, and in other cases are increasing space for books. Hardcover best sellers are in vogue, particularly at trade-up chains. (P. 15)

H&BA PMA. A product movement audit of H&BA items shows diet products taking off in sales. Entry of a new line of diet items from a major manufacturer is expected to bolster this growth. (P. 18)

EDP IN SPOTLIGHT. Uses and history of electronic data processing are highlighted in this Touche Ross/DSN installment of the discounter management development series. Rapid retrieval of sales data is a prime benefit. (P. 6)

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Next Issue . . .

TOY FAIR. Toy merchandising for the next season will be discussed, as well as a product movement audit of toys from recent distributor results.

SPORTING GOODS SHOW. A special section tracking recent trends in sporting goods sales will include a product movement audit.

SHOW ANALYSIS. A special analysis of the Chicago housewares show will be presented.

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Vol. 19, No. 2 Jan. 28, 1980

HEALTH & BEAUTY AIDS

DIET PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Dexatrim Capsules 280 28's	2,484	3.40	8,445
2	Permathene-12 Capsules 24's	2,088	3.70	7,725
3	Dexatrim Capsules 560 56's	858	5.58	4,787
4	Prolamine Tablets 40 20's	1,368	2.79	3,816
5	Dexatrim Extra Strength Capsules 20's	900	3.18	2,862
6	Appedrine Tablets 70 42's	1,128	2.38	2,684
7	Sweet N Low Packettes 500's	672	3.91	2,617
8	Prolamine Tablets 50's	336	4.78	1,606
9	Sweet N Low Packettes 100's	1,464	1.08	1,581
10	Saccharin ½gr 1000's	1,080	1.32	1,425

VITAMINS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Theragran M Tabs '30 Free' 130's	1,474	8.89	13,103
2	Rexall Vitamin E 400iu 100's	1,561	5.99	9,350
3	Stresstabs w/iron 60's	1,082	7.89	8,537
4	Allbee W/C capsules 067463 100's	997	8.44	8,414
5	Rexall Vitamin C 500 100's	1,646	2.23	3,672
6	Stresstabs 60's	771	4.69	3,616
7	Geritol Tablets 100's	552	6.63	3,460
8	One-A-Day with iron 100's	810	3.96	3,207
9	Poly Vi Sol Drops 50cc	639	4.35	2,780
10	Flintstones w/iron 100's	726	3.80	2,758

COLD PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Nyquil 6 oz.	6,114	2.36	14,429
2	Nyquil 10 oz.	3,156	3.59	11,330
3	Contac Capsules 20's	3,288	3.03	9,962
4	Afrin Spray 15cc	4,080	2.04	8,323
5	Dristan Tablets 100's	1,122	5.28	5,924
6	Dristan Tablets 50's	1,746	3.10	5,412
7	Contac Capsules 10's	3,072	1.83	5,621
8	Primatine Mist Refill 15cc	1,332	3.80	5,061
9	Triaminic Syrup 4 oz	2,496	1.87	4,667
10	Triaminic Expectorant 4 oz	2,112	2.17	4,583

ANALGESICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Anacin Tablets 0105 100's	5,754	2.29	13,119
2	Bayer Aspirin Tablets 100's	6,168	2.09	12,891
3	Tylenol Capsules Extra Strength 50's	4,098	2.95	12,089
4	Anacin Tablets 0106 200's	2,250	4.49	10,103
5	Tylenol Tablets 100's	3,726	2.71	10,097
6	Tylenol Tablets Extra Strength 60's	3,054	2.95	9,009
7	Tylenol Extra Strength Capsules	1,758	4.89	8,596
8	Sinutabs 30's	2,886	2.63	7,590
9	Bufferin Tablets 527 100's	2,964	2.32	6,876
10	Bayer Aspirin Tablets 300's	1,722	3.89	6,698

CONTRACEPTIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Encare Contraceptive Suppositories 12's	1,590	3.77	5,994
2	Delfen Foam Refill 20 GM	1,146	4.16	4,767
3	Delfen Foam Kit 20 GM	948	4.48	4,247
4	Emko Kit 1151 40 GR	792	4.27	3,381
5	Ortho Creme Refill Large	636	4.68	2,976
6	Predictor Pregnancy Tester Kit	366	7.96	2,913
7	Ortho-Gynol Refill Tube Large	390	4.68	1,825
8	Conceptrol Cream 6's	474	2.92	1,384
9	K Y Jelly Large 4 oz	708	1.70	1,203
10	Koromex Jelly Refill 115 138 GM	228	3.51	800

LOTIONS, CREAMS AND MOISTURIZERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Oil of Olay 4 oz	2,892	4.52	13,071
2	Oil of Olay 6 oz	1,638	6.16	10,090
3	Noxzema Cream Jar 68N 10 oz	3,732	2.12	7,911
4	Vaseline Intensive Care Lotion 10 oz	3,780	1.67	6,312
5	Noxzema Cream Jar 6 oz	3,048	1.48	4,511
6	Night of Olay Cream 2 oz	924	4.88	4,509

(Continued on page 21)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Diet Items Hot; New Line Seen Fattening Sales

By M. Raymond Prendergast
President,
Boston Distributors

Diet products have been one of our fastest-growing categories with a 35% increase in sales last year, as reflected in the Product Movement Audit for Nov. 12 to Dec. 7, 1979.

Nationally the diet market has shown 30% sales increases annually since 1974. This year is sure to be the biggest ever due to an unprecedented number of new-product entries. We are projecting a 50% increase in sales, primarily because of Menley & James' entry into this market.

The maker of Contac is introducing a full line of capsules, tablets, and drops that will be marketed under the name of Dietac. The strong packaging, capitalization on the Contac name, and an advertising expenditure greater than that for the total category in 1979, should make Dietac a market leader in the 80's.

We anticipate that the new entries will not detract substantially from the current best-sellers, but will garner new users from this virtually untapped market. We expect Thompson Medical's Dexatrim and Prolamine to continue to show increases this year. Dexatrim, which consistently headed our list in 1979, is now available in an extra-strength formulation. This new sku has already moved up to the No. 6 position.

Allegheny's Permathene-12 also showed strong growth last year and will continue to do so this year despite the increased competition. Cumberland's Sweet 'n Low, No. 5 in dollar sales in the latest PMA, remained the best promotional item in the category, ranking No. 2 with us for 1979 as of presstime.

The growth of the diet department was matched last year by the vitamin category. Theragran M, Albee with C, and Geritol all made a strong showing throughout the year.

Miles Labs continued to be one of our strongest suppliers with 19 sku's in our top 20 numbers for the year. In the latest PMA, however, only the One-A-Day with Iron and Flintstones with Iron were ranked in the top 10. The Stresstab brand sales, augmented by the entry of the iron formulation, significantly increased market share last year with Stresstabs/Iron

Figures supplied by Boston Distributors, a division of Cook United, Maple Heights, Ohio, cover 320 stores, including 290 discount department stores, in 18 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

(Continued on page 21)

America,
to be a soft touch.

NIVEA
moisturizing lotion
10 fl oz
NIVEA
moisturizing creme

The softness of Nivea is pretty hard to resist. Especially when it's backed by an aggressive, comprehensive marketing program. **Like periodic consumer incentives—samples, coupons, bonus merchandise. Like a year-in-advance schedule of trade promotions and allowances. And like one of the heaviest advertising programs in the entire skin care field.**

Do you know Nivea is now the 6th largest national advertiser in the hand and body lotion category? The 4th largest national advertiser in the facial product category?

You should know these facts. They're the reason America is getting to be a softer and softer touch.
Nivea soft.

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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Diet Products

(Continued from page 18)

ranking No. 3 in the PMA and the regular Stresstabs coming in at No. 6.

The really big story in vitamins, however, has been the Rexall line, consisting of 95 sku's. Although not added to our product assortment until March, Rexall achieved nearly 40% of last year's sales in the category.

Vitamin E 400iu, Vitamin C 500mg, Plenims, and the Stress formulas were the leading Rexall sku's. Brand recognition, packaging, price points, point-of-sale materials, and national advertising all contributed significantly to Rexall's success in the introduction of its vitamins to the mass market.

The entry of Rexall into our mix and the continued growth of the diet category have prompted several of our customers to increase the space allocated to these departments. In the past, it was possible for a store to merchandise diet and vitamins in one 4-ft. section. We are now recommending 4-ft. sections for each category with larger stores devoting 8 ft. to the vitamin department.

The growth of the diet and vitamin categories has not been matched by the cough-and-cold market. McNeil's introduction of Co-Tylenol adult liquid and Bristol-Myers' expansion of the Comtrex brand have contributed to sales increases, but overall growth reached only 2% for last year. Nyquil, Contac, and Dristan continued to dominate the market with Afrin holding onto its leading position among the nasal sprays.

Analgesics were led by Anacin while Bayer gained the No. 2 PMA position. Bufferin 100's, our top-ranked analgesic for 1979, came in No. 10 in the monthly ranking. Excedrin 100's, No. 3 annually, came in at the No. 11 spot. McNeil's Tylenol was our fastest-growing brand in 1979 with a sales increase of 30%. With four sku's in our PMA's top 10, Tylenol ranked as our No. 1 brand.

Another strong growth category has been contraceptives. All our major chains have now added contraceptives to their feminine hygiene departments. Contraceptive suppositories, led by Norwich's Encare Ovals, and pregnancy kits, topped by Whitehall's Predictor, have significantly increased the importance of this category.

Slippage Noted

Ortho continued to dominate the cream and jelly segment of the market but its overall control is slipping due to consumer acceptance of suppositories. Pregnancy kits continued to show strength with dual kits and refills extending market exposure.

Unlike contraceptives, the composition of the lotion, cream and moisturizer market has not changed significantly. Olay remained the leading moisturizer, Noxzema the top medicated skin cream, and Vaseline Intensive Care the leading lotion. Vaseline sales were up over 20% despite Procter & Gamble's introduction of Wondra. This brand has not lived up to our expectations.

Olay will finally meet strong competition in the moisturizer segment as Vidal Sassoon enters the market. Product, packaging, brand recognition, and advertising may help Sassoon to succeed where others have failed.

The dominant factor in the acne preparation category continued to be the Benzoyl Peroxide products. Norcliff's Oxy 5 and Oxy 10, remained in the leading positions both in the PMA and for the year. Riker's Buf Puf showed the greatest growth with a 40% increase in sales over last year.

Wall cosmetics, led by the nail acrylics and patch kits, had a 35% increase in sales over 1978 numbers. Both Maybelline and Cover Girl lines experienced strong growth in 1979 with most of our customers adding mascaras, powders and nail products to their advertising programs.

Maybelline's Great Lash and Cover Girl's Professional Mascara were our top sku's in the eye makeup segment. Lee Nails, the No. 1 product on the wall, was followed by Krazy Nails both on the PMA and for the year.

HEALTH & BEAUTY AIDS

(Continued from page 18)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
LOTIONS, CREAMS AND MOISTURIZERS				
7	Vaseline Intensive Care Lotion 24 oz	1,212	3.55	4,060
8	Jergens Lotion 15 oz	1,644	2.39	3,929
9	Nivea Creme Jar #553 10 oz	1,452	2.69	3,905
10	Vaseline Intensive Care Lotion 15 oz	1,500	2.39	3,585
MEDICATED SKIN CARE PRODUCTS				
1	Oxy 5 Acne Medication 1 oz	4,584	2.15	9,885
2	Oxy 10 Medication 750010 1 oz	1,506	3.03	4,563
3	Stridex-Pads 75's	1,932	2.04	3,941
4	Buf-Puf 91012	1,512	2.28	3,447
5	Propa PH Lotion 16 oz	786	3.91	3,073
6	Fostex Soap 3.75 oz	2,088	1.35	2,818
7	Dry & Clear Acne Lotion 2 oz	912	2.92	2,663
8	Mudd Skin Care 2.5 oz	1,308	1.92	2,511
9	Topex Acne Medication 1 oz	1,050	2.39	2,509
10	Phisoderm 16 oz	660	3.39	2,237
COSMETICS				
1	Lee Nails 122W	905	5.19	4,696
2	Krazy Nails Kit 81612	567	4.78	2,710
3	Maybelline Great Lash Mascara Black 175M	1,074	1.80	1,933
4	Classic Nails CN 12	378	4.79	1,810
5	Cover Girl Brush-on Blush Pwdr Pch # 498	788	2.12	1,670
6	Cover Girl Professional Mascara Black 04656	916	1.80	1,648
7	Maybelline Ultra Big Ultra Lash Black 150ML	1,014	1.56	1,581
8	Fresh Lash Mascara Black 195M	834	1.80	1,501
9	Cover Girl Pressed Powder Medium 448	776	1.88	1,458
10	Cover Girl Brush-on Blush Powder Rose 480	680	2.12	1,441

Source: Boston Distributors

Personnel Parley Readied by NMRI

PHILADELPHIA—The National Mass Retailing Institute will hold its annual personnel conference Feb. 11-13 at the Fairmont Hotel here.

Conferences and seminars will be conducted on several topics focusing on personnel requirements in mass retailing, including: training programs; bonus plans; attitude surveys; executive compensation alternatives; assessment centers; decentralized training; employee motivation; use of video in training; recruiting; communication; staying nonunion; insured health benefits; government legislation, and relocation compensation.

The opening banquet will be on Monday, Feb. 11, at 5 p.m. The conference ends on Wednesday, Feb. 13, at 2:30 p.m. All sessions will be totally confidential. Registration can be made through the NMRI at 570 Seventh Ave., New York.

Dallas Woolco Due

RICHARDSON, Tex.—Woolco has scheduled the opening of a new 90,000-sq.-ft. store in this Dallas suburb for Feb. 13.

SUNSCREENS? THERE'S ONLY ONE

For the Advertising

■ Over 250 MILLION impressions in daytime and prime-time TV from May to July, 1980.

■ Full-color, full-page advertising in major women's magazines.

For the Total Food Sales Share*

For the All Outlet Sales Share*

42.7%
17.3%
SUNDOWN Brand
Next Nearest Competitor
25.2%
15.9%
SUNDOWN Brand
Next Nearest Competitor
SUNBURN PROTECTION THAT STAYS ON...
Johnson & Johnson SUNDOWN SUNSCREEN
Helps Prevent Sunburn
4/4
6/6
8/8
4 FL. OZ.

YOUR HOT LINE TO PROFITS IN 1980

A complete in-store display program to develop maximum sales.

Johnson & Johnson SUNDOWN SUNSCREEN

NOW THERE'S A NEW SUNDOWN For the growing consumer segment that prefers greater protection. New MAXIMAL formula. SPF #8.**

7/20/80 C 5150 203

Show Sections { **Toy Fair: Pp. 17-35**
Sporting Goods: Pp. 49-58

Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

VOL. 19, NO. 3 — Published Biweekly, Every Other Monday, Monthly in December, by Lebhar-Friedman Inc. — $1.75 a copy — FEBRUARY 11, 1980

Discounters Split on Inventory Strategies

Natiowide DSN Report

Two major positions are evolving as discounters face economists' predictions of flattened consumer spending for the first half of 1980.

The dominant approach, taken by discounters such as Heck's, Gee Bee, ALCO, Murphy's Mart, Prange-Wage and Clover, is to inflate inventories at a rate slower than that of inflation.

The resulting decrease in units will allow an easier compensation for any slowdowns in consumer spending. Given the current high cost of money, it will also help ease interest costs.

Another approach—Zayre and T.G. & Y. are examples—is bullish. These chains feel there is business out there and they intend to chase it.

"Zayre has narrowed its inventory over the last few years, but we are not going to play with quite that caution this year," a spokesman at the Massachusetts-based chain said. "We are out to do business, and until we see the recession in our numbers we will do normal ordering in line with planned sales."

Zayre expects inventories to be 11% to 12% above last year's $254 million year-end inventory, although inventory dollar increases will lag behind sales increases. The dollar increase is offset by a general merchandise inflation rate of 5% according to Zayre figures. Inventory includes two new Zayre stores plus the corporation's specialty stores.

At T.G. & Y., president Jim Newgent said, "We are not go-

(Continued on page 74)

Designer Boom Has Midprice Jean Mfrs. Casting Wary Eye on Alternate Markets

Nationwide DSN Report

Established national-brand sportswear manufacturers, squeezed by the designer boom in department stores, may be looking to increase volume by chain distribution, but are uncertain how to make the leap.

"They're frightened to death and are trying to find a way to get in," said one chain soft lines merchandiser, "but they're afraid of destroying their image and customer base."

Ditto of California is an exception. The brand began as an upstairs resource, but gave up its department store clients in favor of mass merchants. Dittos are now in Target, Gold Circle and T.G. & Y., and the manufacturer is negotiating with other discounters.

Before 1975, Dittos had distribution in department and chain stores, with the conventionals taking a higher markup on the same merchandise. Spokesman Michael Simon said the department stores based markup on a loaded, prediscounted wholesale price of $12.50 for example, even though they were actually buying the jeans at an 8% discount for $11.50—the same net price paid by discounters.

"We wanted them to retail at a lower price so the consumer didn't pay for the administration of a department store," Simon said. Department stores naturally didn't want to see their merchandise discounted, so they gradually dropped the line or relegated it to the basement. Meanwhile Dittos went into J. C. Penney's, Mervyn's and other chains.

"We cater to the mass merchant because we have basic core merchandise," Simon said.

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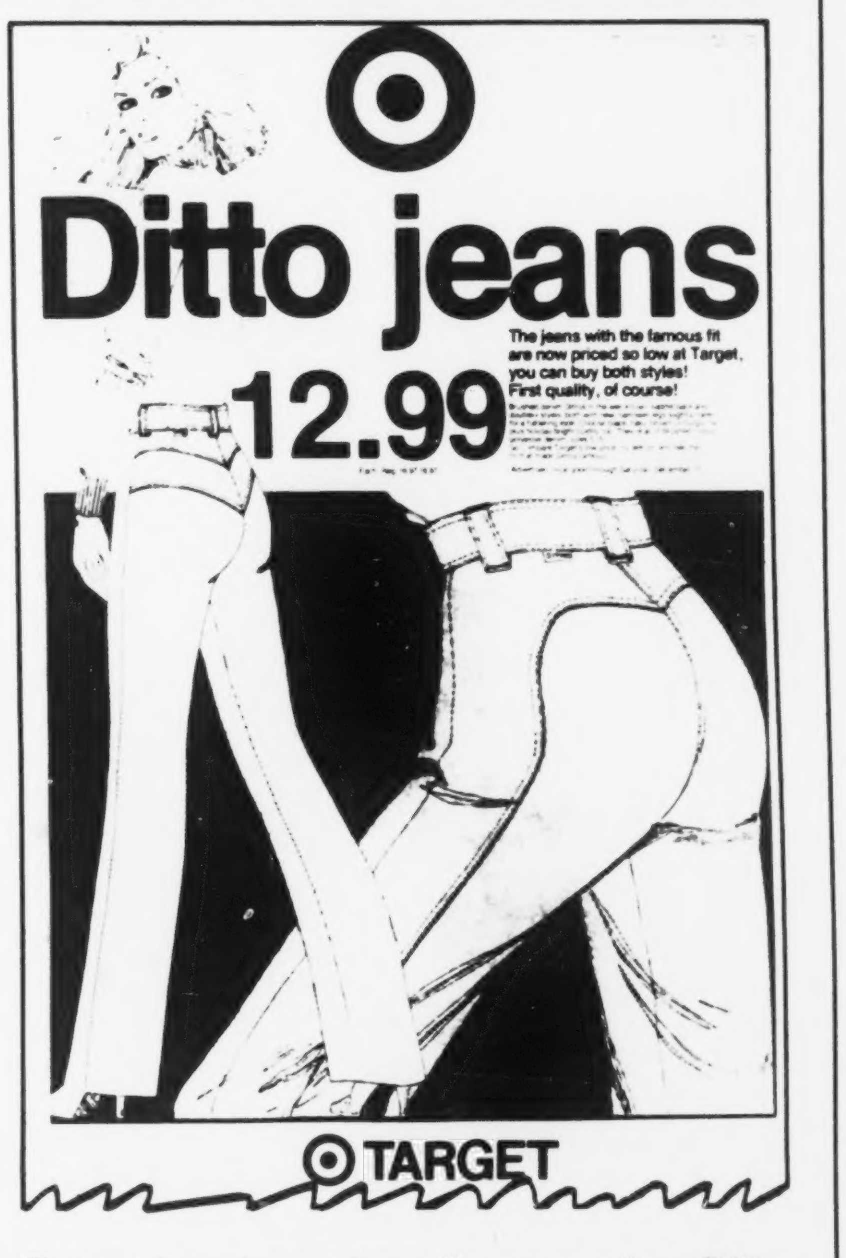

Ditto jeans
12.99
The jeans with the famous fit are now priced so low at Target, you can buy both styles! First quality, of course!
TARGET

Target has been heavily promoting Ditto jeans—a brand that once had department store distribution but shifted to mass merchants. The chain recently advertised the regular $16.97 and $18.97 pants at $12.99.

Jefferson Blitzes Philly Market

BULLETIN: Montgomery Ward signed an agreement with Vornado to lease 12 Philadelphia-area Two Guys.

PHILADELPHIA—When four new Jefferson/Ward stores open here next month, it will be the initial move in what may become one of the fastest grabs for market share discounting has ever seen.

Not only does the discounter (a division of Montgomery Ward) own eight former J. M. Fields locations in the Greater Philadelphia area, and Almart stores in cities to the north and south, but at presstime Jefferson was still negotiating for rights to a dozen Two Guys locations near Philadelphia.

Contrary to some reports that the Miami-based discounter will open all its properties around the city at one time, the company plans staggered openings of stores acquired last year from Fields.

"We do extensive and very expensive remodels," said Jefferson's senior vp of marketing Joel Peney, "and we have a company doing it. There are only so many people that can go from store to store to do the work. We will be opening stores in a staggered fashion because of these physical limitations, not because of any cost limitations."

Four of the eight former Fields in the Philadelphia area are slated for openings late in March. Two Pennsylvania units, Pottstown and Norristown, and two New Jersey units, Burlington and Woodbury, are scheduled to be the first Jefferson/Ward stores north of the Mason-Dixon line.

Seven Almart stores purchased by Jefferson last year will also be changed over to

(Continued on page 65)

DSN EXCLUSIVE. Robert C. Baesemann, assistant director for price monitoring at the Council On Wage and Price Stability (C.O.W.P.S.) discusses price posting and guideline exemptions in an exclusive interview. P. 15

Discounting Week

LUNDEGARD LEAVES. H. R. Gibson Jr., has resumed the presidency of Gibson's following John Lundegard's departure to join Western Auto as board chairman and chief executive officer.

BRASS NAMED. K mart has upped Harold E. Wilcox to senior vice president of sales and general merchandise manager. He had been vice president for the chain's Western region. Richard O. Williams, who held the gmm spot, was elected vice president of the Central region, succeeding Carl L. Bloom who is to retire on March 1. Larry M. Parkin, assistant regional manager for the Western region has been elected vice president for that market area.

HEADING SOUTH. Woolco is launching a new unit this month in Richardson, Tex.—part of the Dallas market. Three more are to follow in March in Virginia Beach, Va., and in Thibodaux and La Place, La., near New Orleans.

HECK'S OPENINGS. Heck's will open three stores this month. They include the sixth unit in the Greater Charleston, W. Va., area in Diamond; the second in Morgantown, W. Va., and a replacement for the Frankfort, Ky.

INNER CIRCLE. Michael Tanner has been promoted to director of merchandise presentation at Gold Circle. The chain also has elevated Jim Harrison, who is now divisional merchandise manager for home improvements.

Sharpens Discount/Variety Store Distinction

Murphy Rebounds, Net May Top $11M

McKEESPORT, Pa.—After closing 68 stores in 1978 and instituting a rash of operating changes, G. C. Murphy Co. will show a significant turnaround when sales and earnings for fiscal 1979 are tallied.

DSN estimates sales will be 4% higher ($740 million) than the year before, on a store base 9% smaller in sq. ft. Earnings will be more than $11 million by DSN's estimate, compared to the bath taken in 1978 when earnings were $202,000.

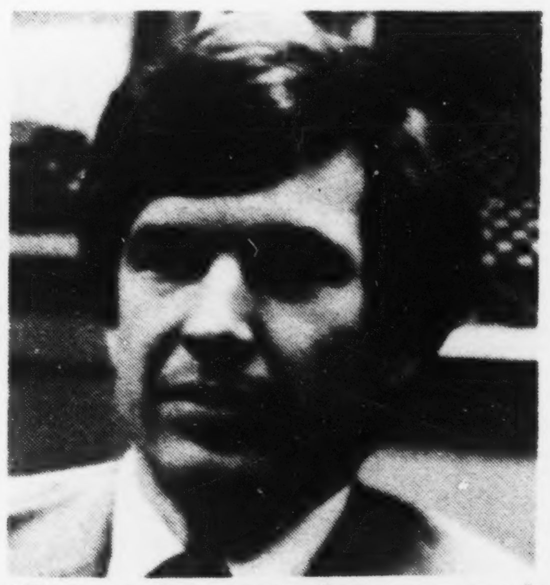
Profitability of the chain (1.5% of sales by DSN estimate) is still below industry norms, however, which prompted one stock dealer to say "they have done slightly better than half of what they need to do."

Murphy's management is continuing to take steps to correct operating problems, the most significant of which has

(Continued on page 72)

"We want our Marts to have a lively atmosphere."—S. Warne Robinson, chairman

"We're going to take the separation of the Mart Stores and the conventionals one step further in 1980."—Charles Lytle, president



"Due to the cost of money and occupancy costs, we are looking to build production from existing units."—Tom Hudak, senior vp finance

Battle Looms in Payless (Calif.)-Jewel Merger Push

OAKLAND, Calif.—A proposed vote by Payless Drug (Calif.) stockholders on a merger with Jewel Cos. scheduled for Feb. 11 has become the key element in the battle between Jewel and Payless Drug Northwest to take over the Oakland-based chain.

Legal battles between Payless Drug Northwest and Jewel are skirmishes that could become significant if the merger doesn't go through.

The vote will be decided by the public stockholders who own about 55% of the outstanding shares. About 17% of those shares have to vote in favor of the merger for Jewel to acquire the 60-store discount chain.

The public stockholders include an unknown number of arbitrageurs (speculators) who have purchased the stock in hopes of selling it at a higher price to one of the two companies battling for Payless Drug (Calif.). Many of these stockholders haven't completed transfer of ownership so they can't vote, while the owners of record of these sold shares can't vote because they no longer own the shares.

One attorney involved in the legal battle between the two companies noted that Jewel has to obtain a favorable vote from more than 50% of the shares voting. A share that doesn't vote is equal to a vote against Jewel.

The math comes down to Jewel having to obtain about one-third of the outstanding shares. And the key question is how much stock do the arbitrageurs hold and do they want the exchange of shares offered by Jewel or the $22.50 a share offered by Payless Drug Northwest.

(Continued on page 65)

Jamesway Adds Distribution Center; Will Open 4 New, 9 Acquired Stores

SECAUCUS, N.J.—Jamesway plans to open four stores this year and complete conversion of nine units acquired late last year, as it gears up for a possible doubling of the chain's size to 120 over the next half decade.

Other moves to support the discounter's growth include:

- Purchase of a 214,000-sq.-ft. distribution center in Totowa, N.J., to replace almost 100,000 sq. ft. of space in three rented buildings.
- Revamping its 185,000-sq.-ft. Secuacus, N.J., facility to expand its 35,000-sq.-ft. office area by 20,000 sq. ft., giving the headquarter staff more room.
- Realigning divisional merchandise manager responsibilities, including a break out of ladies' apparel as a new division to bring related categories under the same dmm.

The new stores include spring openings in Rhinebeck, N.Y. (50,000 sq. ft.), Point Pleasant, N.J. (43,000 sq. ft.) and Columbia, Pa. (38,000 sq. ft.), and a fall opening in New Hope, Pa. (38,000 sq. ft.).

Next month, after refurbishing five of the acquired units, Jamesway will unveil its logo over former Westons in Massena, Newark, Oswego and Watertown, N.Y., and Latrobe, Pa.

Two former Mason's in Sharon and Meadville, Pa., and two

(Continued on page 67)

Mr. Wiggs Denies Reports On Home Center Conversions

CLEVELAND, Ohio—Management at Mr. Wiggs, a 20-unit chain headquartered here, has denied trade reports that the stores are being converted to home centers.

Mr. Wiggs is heavily hard lines oriented, however, and a spokesman at the chain said that home center-type items would be added to the merchandise mix.

"We are adding some home building materials in our stores for enhancement of the goods we already stock," the spokesman said. Such materials will include precut lumber and paneling.

Staff members at Mr. Wiggs also plan to attend the home center show in early March, and will reportedly consider the alternative of converting some locations to home centers at that time.

According to some reports, the Mr. Wiggs store in Painesville, Ohio, is being considered as the first prototype if the chain does decide to convert some stores to home centers.

At least some increase in the home improvement departments at Mr. Wiggs will certainly be made. Last year, the privately held discounter brought in George Richardson from Jamesway as vp and gmm. Jamesway is one of the leading discounters in the home improvement area.

Hartfield-Zodys Takes Over Soft Lines in Hawaii Gems

LOS ANGELES—Hartfield-Zodys has taken over the apparel and domestics departments in the three lessee-run Gem stores in Hawaii. Its Zodys division will merchandise the women's, men's and children's sections as the discounter's first and only leased department operation.

Three D Departments, in which Hartfield-Zodys owns more than a 20% interest, will operate the domestics departments under a sublease.

The sections merchandised by Hartfield-Zodys generated more than $10 million, just under one-fifth of the $53 million volume of the three stores.

The three 80,000-sq.-ft. stores were purchased for $7,250,000 by Seiyu Stores of Tokyo at the end of 1979 as part of the liquidation of the Parkview-Gem chain. They were the only remaining retail operation of the bankrupt company.

Seiyu plans to expand the Gem chain in Hawaii, company executives have said. Seiyu is a division of the Seibu Group, a Japanese conglomeration that has a joint venture with Sears in Japan among its operations.

Hartfield-Zodys began operating the ladies' apparel sections in Gem stores in 1971, with Zodys handling the merchandising. But about five years later, the Hartfield specialty store division took over.

A company executive noted that when Hartfield-Zodys expanded its operation to include all the apparel departments, Zodys took over the merchandising because it handled men's and children's wear plus ladies' apparel. Hartfield only merchandised ladies' wear and it was more efficient to use Zodys for all three sections.

There aren't any plans for Zodys to move into the leased apparel department area, he emphasized. "Gem was a unique situation," he added.

Spotlight on: Energy-Saving Items

Home Improvement Gets Warm Reception At S. E. Nichols

GREENVILLE, N.C.—In its first winter of operation, S. E. Nichols' home improvement center here hit upon a display theme close to every consumer's heart and wallet: energy saving.

"The energy-saving items are my long suit right now in home improvement sales," said store manager Doug Locklear.

The display was a convenient way to show consumers the breadth of energy-saving merchandise available in the 20,000-sq.-ft. home improvement center, which was added to the existing 100,000-sq.-ft. Nichols store last July.

"We are new, and it takes consumers time to get used to shopping the store," Locklear said. "The energy display is important because it introduces the category. I've had people come up to me and ask where items that are in the display are located within the department."

The display, scheduled to be taken down early this year, has been standing since early fall with much success. At one point, there was a waiting list for storm windows because customer requests were coming so fast.

"We've had good turnover and sold a lot of product because of that display," Locklear said, "because the customer can't overlook it."

In This Issue...

TOY FAIR. DSN looks at the toy market in advance of the 1980 Toy Fair with sections on electronic games and toys, plush, board games, dolls and other categories. Renewed emphasis on basics, continued growth of the electronics and the generally good open-to-buy positions of toy buyers are also covered. P. 17

LARGER ROLE. Sporting goods will play a larger role in the merchandise mix of most chains in the future. DSN's sporting goods section examines topics including added soft lines, camping, leather price hikes, fishing and continued expansion of the exercise category. P. 49

NRMA CONVENTION. DSN's editors attended many of the seminars at the recent National Retail Merchants Association convention in New York. Reports cover distribution, security, soft lines merchandising and 1980 economic projections. P. 36

BATH SHOPS. Discounters are increasing coordination in their bath shops, but stopping short of expensive refixturing needed to display towels and rugs with hard lines. Bradlees, Gibsons, ALCO and other chain programs are reported in DSN's market outlook in domestics. P. 9

EDP MANAGEMENT. The latest segment of the DSN/Touche Ross Discounter Management Development Series examines the planning required to establish an accountable electronic data processing system within a retailing organization. Involvement and direction from the ceo can be the key to successful implementation. P. 8

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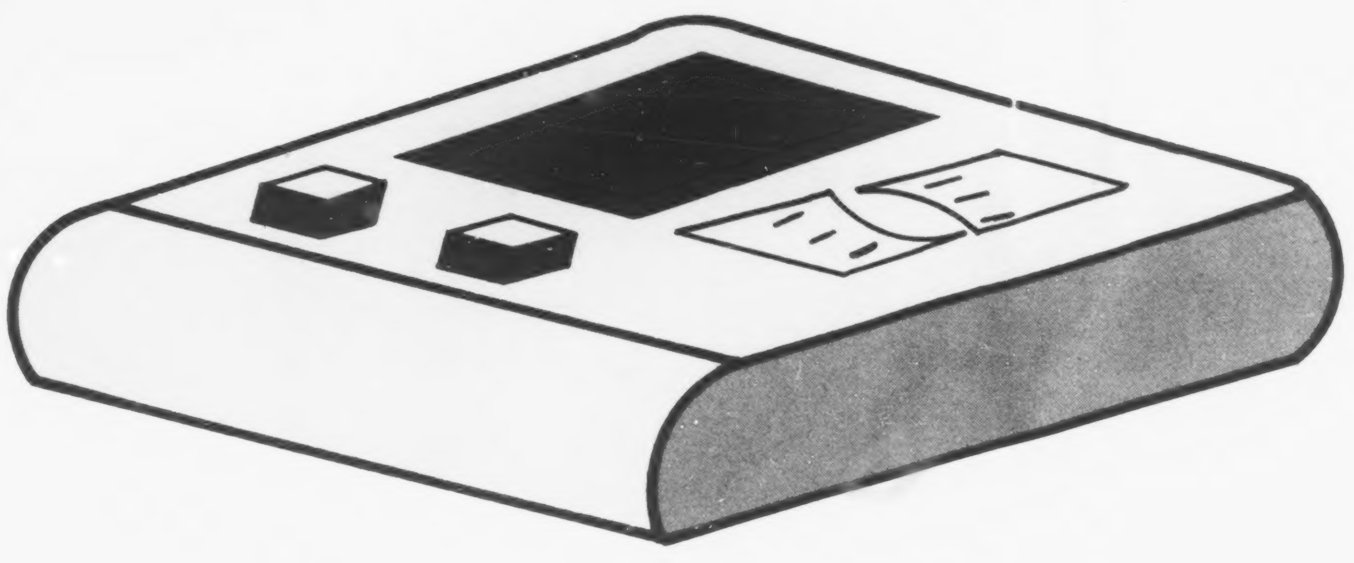


TOY FAIR SECTION

Healthy Christmas Sales Strengthen Open-to-Buy

Nationwide DSN Report

Buyers will be arriving at the Toy Fair next week in a strong open-to-buy position, as a result of a healthy Christmas season that left them with many clean-outs, generally low inventory levels and a limited number of markdowns.

In 1979, as in 1978, the toy department was paced by sales in a relatively new area, electronic games. Virtually all chains contacted said that this expanding classification ran well ahead of all others.

Consumer interest in such versions as Merlin and Simon was exceptionally strong. In addition, electronic sport games—in particular, the football version—were also in high demand, and merchandisers say they are looking to electronic games for continued growth in 1980.

However, these same buyers are quick to point out that the magic of this classification could be undone, either by supply problems or by steep price increases from manufacturers.

Other trends that emerged from interviews with buyers and manufacturers included:

- The steady performance of most basic toy categories, especially plush, preschool and miniature wheel goods;
- The apparent success of radio-controlled products, but only in chains where they were demonstrated; and
- The continued resilience of board games, in spite of a strong challenge from their electronic rivals.

In fact, one industry source asserted that sales volume in board games has increased—not fallen off—as a result of the electronic competition.

As always, this category was led by the old standards, such as Scrabble, Life, Clue and Monopoly. Some of the newer introductions were hot as well, but it is too early to tell if they will be able to match the performance of the classic games.

Among the losing categories for 1979, the only sure disappointments came in space-related toys and the television (or licensed) dolls.

"There was not much action in space this year," an Alexander's source said. "Not much is new in Star Wars figures, and the Buck Rogers didn't do what was expected.

"I think the category died because the manufacturers didn't revive it. They didn't time it to come out with another movie this season. It may pick up when there is the sequel to Star Wars."

At Clover, a merchandiser reported better results with Star Wars, although the derivatives—including Star Trek, Battle Star Gallactica and Black Hole—were not as exciting because "the kids couldn't relate to it."

And even at chains where the space-related toys were a success, the volume was not in the larger Star Wars figures, but rather in the lower-margin small-size characters.

Whereas a lack of successful new promotions hurt the space category, high price points may have been the undoing of television dolls in 1979.

A number of chains reported that sales in the licensed goods lagged behind the regular dolls and plush volume, and at least one discounter believes that future price increases will kill the classification completely.

In the radio-controlled area, where margins can be as high as 40%, a number of discounters were able to turn a healthy profit.

The key to this classification, merchandisers say, is that the various products must be demonstrated for the customers—otherwise, there will be resistance to the high price.

"We bought into the radio-controlled products cautiously in 1979, but we will be going back into it," said a spokesman at Kansas-based David's. "The margins are good, and r/c can make us a little different from our competition."

At Alexander's, products in the $25 to $40 range did well, while the G.I. Joe's chain in Oregon had price points as high as $125. Some buyers decided to go with imports, while Mattel, Precision and Ideal were generally the most popular domestic brands.

As for the more basic categories, including regular dolls, plush, preschool and miniature wheel goods, merchandisers reported that these old reliables again matched expectations.

In contrast to the TV dolls, where Christmas sales were a major disappointment, chains had much better

(Continued on page 27)

80's View: Electronic Games Still Tops, TV Dolls Down, Space May Rebound

What is the market outlook for toys in 1980?

According to buyers and manufacturers, electronic games will lead the department once again this season.

In addition, TV dolls should continue to lose market share, while space figures may rebound with the opening of a new Star Wars movie.

Basic items are expected to repeat their strong 1979 performance, as consumers look for more play value and durability in the toys they purchase. This augurs well for staples like regular dolls, plus, preschool toys, board games and miniature wheeled goods—but it could spell trouble for the high-end radio-controlled products.

Overall, price increases in the department will range from 5% to 20%, depending on the category. Supply shouldn't be a problem, except in some of the electronic games. If the economy softens even further, industry sources expect the public to defer major purchases and spend more time in the home. And that should add up to another big year in toys.

Old standards like preschool toys fared better than space-related items and TV dolls. This display of Playskool toys is at Woolco, Arlington, Tex. (DSN photo)

Discounters Emphasize Basics to Offset Stiff Competition From Specialty Chains

The impact of toy specialist discount chains can be seen in the decreased turns and shrinking gross margin in toy departments. The highly promotional specialists have grabbed a significant share of the market, and increased promotional pressure against discounters in almost every market area.

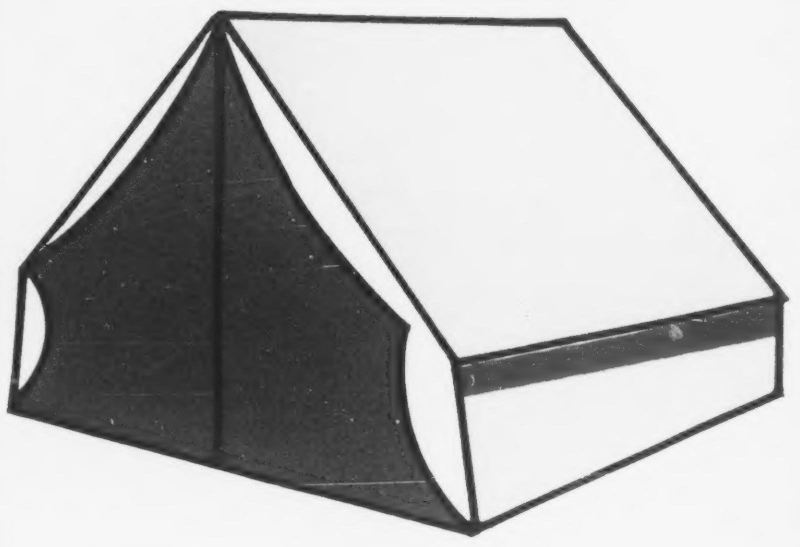
The response by discounters in recent years, which may reverse the trends of the 1970's, has been to increase the emphasis on basics like plush, board games and preschool toys, and more intensive merchandising of other higher-margin lines in hobbies and low-ticket toys.

Electronics footballing has also diminished gross margins in the department, but year-long sales of the most popular items at everyday prices can help offset the impact of Christmas season promotions.

	1970	1974	1975	1976	1977	1978	1979	10-year change	5-year change	'78 vs. '79
Dept. Size (sq. ft.)	3,300	2,746	2,800	2,746	2,646	2,646	2,646	−19.8%	−3.6%	NC
Annual Turns	5	4.5	4.5	3.8	3.8	3.7	3.7	−26.0%	−17.7%	NC
Volume per sq. ft.	—	$87.00	$85.00	$111.60	$116.28	$120.50	$130.03	—	+49.0%	+7.9%
Initial Markup	32%	33%	34%	33%	34%	33%	33%	+3.1%	NC	NC
Gross Margin	28%	28%	29%	29%	29%	28%	26%	−7.1%	−7.1%	−7.1%
Company Run	88%	94%	94%	96%	96%	96%	96%	+9.1%	+2.1%	NC

NC—no change

Source: DSN Research



SPORTING GOODS SHOW SECTION

Added Soft Goods Improve Margin; Some Trim Mix

Nationwide DSN Report

Faced with an uncertain economy, rising leather and vinyl prices and high interest rates, sporting goods merchandisers are particularly inventory-conscious this winter.

Many are trimming assortments and staying away from high prices in order to insure turnover. Others are increasing their soft line mix in order to improve the department's gross margin.

Weather is another factor in this seasonal business. A mild winter in Venture's markets has kept turn of outerwear slower than expected, according to buyer Dennis Rising.

"I expected more rapid movement, but I suspect we'll come out clean. We're trimming a lot and trying to get very basic."

ALCO is controlling inventory by cutting high-ticket long guns and reducing ammunition sku's, which add up to a large investment, according to buyer Dave Huscher.

At Clover, buyer Dennis Henning is trimming slow-moving basketballs from seven to at least five sku's.

Soaring leather and vinyl costs further muddy the inventory picture. Henning pointed out that in baseball gloves, for example, he would have 10% fewer units on the floor to maintain the same dollar inventory.

Huscher said that chains can no longer afford to swallow price increases.

"The game is over on being able to shave prices and absorb higher costs," he declared. "Discounters used to think they could reduce margins and sell more merchandise to make the same amount of money, but that doesn't work in sporting goods any more. If you can't increase turns, you can't reduce margins."

Sporting goods buyers see apparel as a way of loosening the gross-margin squeeze. At Clover, activewear represents 30% of the mix, "so I can 'give away' sneakers and tennis balls," according to Henning.

Bradlees carries soft lines to an industry extreme—45% of the mix compared to 5% three years ago. Bradlees' markups of 35% in hard goods and 51% in apparel, as estimated by DSN, are fairly typical.

Other chains are shying away from commitments to apparel because of lack of space and fixtures, and in-store competition with men's sportswear.

While discounters are watching the prices of most hard goods categories, some are experimenting with better lines of fishing tackle.

"There is a definite trend to upgrade," observed James Sylvester of Stem Distributors. "The customer who once spent $5 on a rod is now willing to pay $15."

Discounters have benefited from the decline in price of graphite and are now able to offer such rods at $20-$30.

(Continued on page 58)

Sporting goods buyers are increasing their mix of apparel in order to improve gross margins. Bradlees goes as high as 45% soft lines. This is the chain's new entry in Virginia Beach, Va. (DSN photo)

80's Outlook: Price Hikes, Apparel Boom

The market outlook for sporting goods in 1980 includes:

- Average price increases of 20% in leather balls and gloves and smaller hikes in vinyl and plastic items such as rods and coolers;
- Increased importance of activewear as retailers work to improve gross margins;
- Camping, fishing and hunting will be vulnerable to the availability of gas this spring and summer;
- Exercise equipment will continue in popularity. Racquetball should also enjoy increased sales while tennis will continue to level off;
- In ball games watch for soccer to enjoy growth, possibly at the expense of football and basketball.

Leather balls are seeing average price increases of 20% this winter. Caldor displays basketballs with backboards at its Middletown, N.Y., store and adds soccer balls to an endcap. (DSN photo)

Sporting Goods Play Larger Role; Space Jumps 16%, Turns Up a Third

With department square footage up 16% in the 1970's, and annual turns increasing 34.6%, sporting goods departments are becoming more important in the overall merchandsie mix of discount stores.

The generally less-promotional sporting goods mix in the last five years—including many items of sports apparel in many stores—has helped gross margins make a small comeback from the 1976 low of 26% and played a major role in increasing the sales per square foot to almost $125.

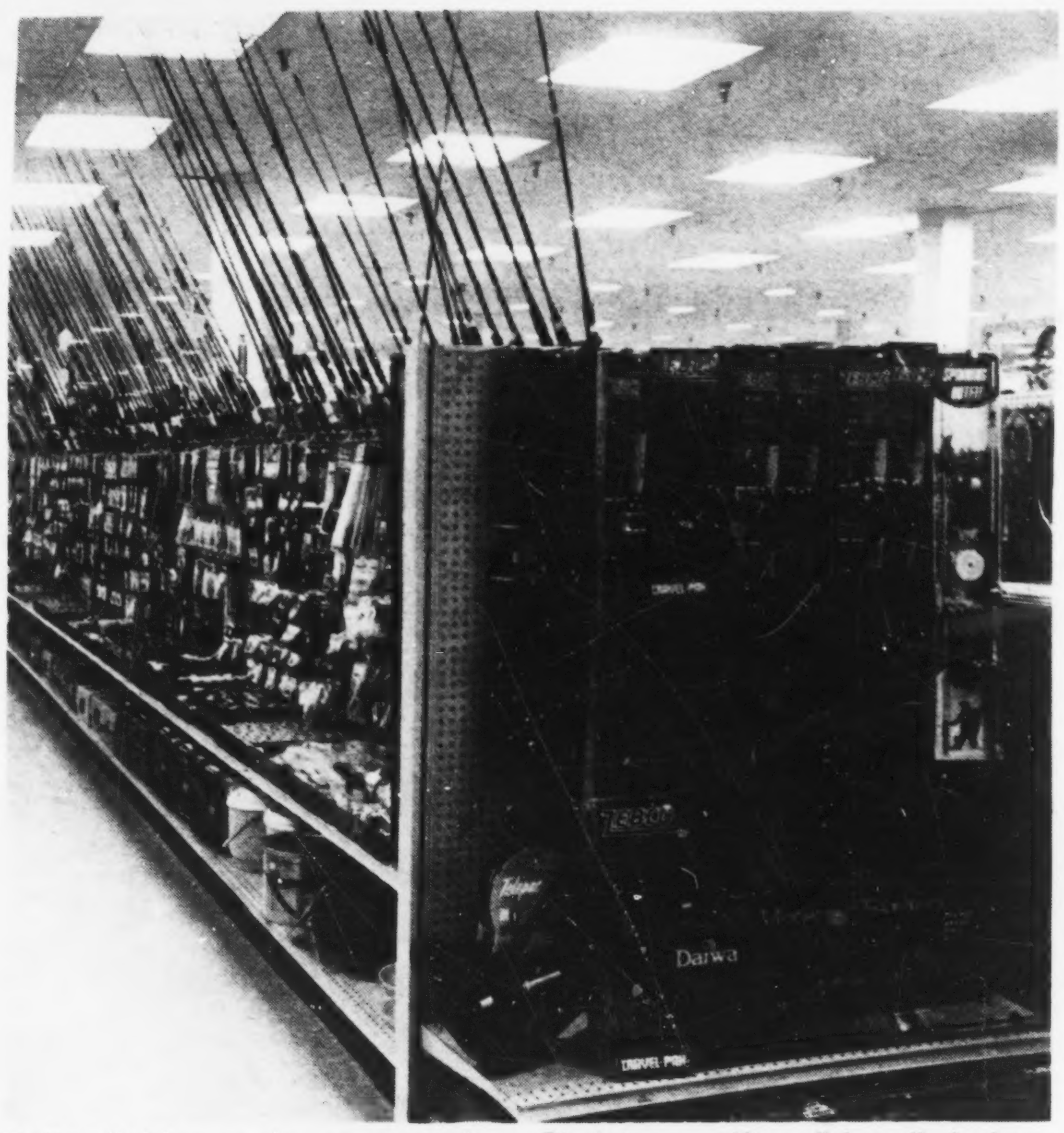
Continued emphasis by discount chains on the soft lines in sporting goods is likely to bring bigger departments, higher sales per square foot and better gross margins in the 1980's. The physical fitness trend is firmly established, and new products in this category will contribute to higher volume and gross margins in the department. Family leisure activities of a more do-it-yourself nature (instead of travel vacations) and continued growth of the camping accessory market will also help maintain the generally upward curve of this department. Hunting and fishing product lines should remain the foundation of discount stores sporting goods sales.

	1970	1974	1975	1976	1977	1978	1979	10-year change	5-year change	'78 vs. '79
Dept. Size (sq. ft.)	2,200	2,500	2,500	2,500	2,600	2,650	2,550	+16.0%	+ 2.0%	−3.7%
Annual Turns	2.6	3.0	3.0	4.5	4.3	3.5	3.5	+34.6%	+16.6%	NC
Volume per sq. ft.	—	$69.00	$72.00	$122.58	$118.34	$120.32	$124.13	—	+80.0%	+3.2%
Initial Markup	31%	33%	34%	34%	34%	34%	35%	+12.9%	+ 6.0%	+2.9%
Gross Margin	29%	26%	27%	26%	29%	26%	27%	− 6.9%	+ 3.8%	+3.8%
Company Run	81%	90%	91%	96%	96%	96%	96%	+18.5%	+ 6.6%	NC

NC—no change

Source: DSN Research

SPORTING GOODS SHOW SECTION



Better fishing reels, promoted as Christmas gifts, did well during December. Tackle, including prepackaged and loose combos are shown here at FedMart, Torrance, Calif. (DSN photo)

SPORTING GOODS

[Total dollar movements for this PMA are low because of diminished inventories at the end of the year. The Stem Distributors PMA in DSN's 1979 Sporting Goods Show section reflected November sales and therefore showed higher dollar movement. This year more recent December figures were available.]

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	10	Crosman .177/BB CO-2 rifle 5073	200	30.35	6,070
2	—	Coleman adj catalytic heater	93	46.24	4,300
3	3	Coleman dbl-mntl lantern 220J-195	102	30.19	3,079
4	7	Coleman 2-burner stove 425E499	84	31.46	2,643
5	33	Crosman 177 gas revolver 38T	55	45.99	2,529
6	—	Remington 22 LR amn 100 pk 1500	700	3.34	2,338
7	13	Crosman Powerlet 5-pk 231/5PD	912	2.38	2,170
8	—	Daiwa Bait cs rl BB HI-SPD 5HS	30	67.37	2,021
9	—	Daiwa skirted silver spin reel 1600C	73	26.79	1,956
10	6	Coleman 48-qt poly clr 5286-703/706	64	30.11	1,927
11	14	Crosman pump B/177 pistol 1377	41	44.70	1,833
12	25	Crosman Milk Carton Super BB's 737	1,044	1.75	1,827
13	5	Rem 22LR Thndrblt ammn TB22	1,200	1.52	1,824
14	—	Daiwa spincast reel gold 510RL	68	26.39	1,795
15	—	Ash Super Light 3D 3745-1	504	3.43	1,729
16	—	Ash Classic Chrome Lite 3340-1	456	3.53	1,610
17	—	Precise 1 bld fold deer kf 11835	103	15.33	1,579
18	8	Crosman BB/177 rifle 5760/760	36	43.84	1,578
19	—	Daiwa bait cast reel 3R	39	39.14	1,526
20	38	Coleman 2-burner stove 413-G-499	37	41.23	1,526
21	44	Coleman 4-gal Oscar cooler 5274-702	104	13.74	1,429
22	21	Ash flashlight w/2D or 2C battrs 3092	414	3.45	1,428
23	24	Coleman propane lantern 5114-700	62	22.90	1,420

(Continued on page 55)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

High-Ticket Rods, Reels Top Chart

By Don Petti
President,
Stem Distributors

High-ticket rods and reels and better hunting knives were strong gift items during the 1979 Christmas season, according to our Product Movement Audit for the month ended Jan. 4. The PMA listed best-sellers in camping, fishing, BB/pellet guns, hunting accessories and balls.

Three better Daiwa reels, promoted heavily as gifts, moved onto the chart, taking eighth, ninth and 14th places. They were a high-speed bait cast, skirted silver spin and gold spincast models.

The higher tickets (an average $67.37 for the high-speed reel) combined with modest unit movement resulted in high dollar movement for these three models.

Better tackle boxes and higher-ticket knives also surged at Christmas. Twelve Precise knives were on the top 70 list, including a one-blade deer model, 17th on the chart, which produced, $1,579 in total dollar movement.

Others that made a strong showing were the same brand's Handyman Swiss Army knife, No. 29, and slim lockbacks in small and large, Nos. 38 and 39.

Figures supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio, cover 600 stores, including 480 discount department stores, in 35 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

A Rebel three-tray tackle box, retailing at an average $12.95 ticket, moved into slot 26 while a less expensive Vlchek model was 57.

BB and pellet guns and ammunition, also big gift items, continued to dominate the chart, taking four out of the first 10 places and seven of the top 15. Crosman grabbed first place with its .177/BB rifle 5073 which produced a total movement of $6,070. Other top Crosman items were the 177 gas revolver 38T, which moved up from 33rd to fifth place, and the BB/177 pump pistol, up from 14th to 11th.

Remington dominated the

(Continued on page 55)

We've added an extra mileage ingredient to our co-op advertising program. More money.

Shell
FIRE & ICE®
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1 QUART

Earn a dollar per case to advertise gas-saving Shell Fire & Ice® Motor Oil. Your Shell Fire & Ice Motor Oil customers will be getting better mileage out of gas-saving formula Shell Fire & Ice, and our dollar-a-case co-op bonus makes sure *you* will, too.

We'll put one dollar in your co-op advertising account for every case of Shell Fire & Ice delivered to you between January 1st and May 31st, 1980. And you can spend all that money on Shell Fire & Ice advertising from March 1st until May 31st.

After May, you'll start receiving the *new* ongoing co-op allowance of 42¢ per case—over a third more than last year! (See your Shell Representative for full details.)

So start ordering Shell Fire & Ice today. With all the extra mileage ingredients we've added, you can go a long way.

Shell

SPORTING GOODS SHOW SECTION

Discount Store News

PRODUCT MOVEMENT AUDIT

Rods, Reels

(Continued from page 54)

ammunition classification with six packages in the top 50. The Marksman 177 pistol 1010 moved up from 49th to 29th while a Marksman 177 rifle 7401 debuted on the chart. Two Daisy BB guns were 34th and 51st.

Coleman camping products continued their strong showing, taking four of the top 10 places. They sold both as gift items and as basic gear for winter camping, ice fishing and indoor emergencies—blackouts or heat shortages.

The high-ticket catalytic heater, doing 90% of its business during the winter, hit second place. At an average retail price of $46.24 this heater generated $4,300.

Coleman held third place with its double-mantle lantern, while the two-burner stove 425-E-499 moved up from seventh to fourth place. Other Coleman products in the top 25 were the 48-qt. poly cooler, two-burner stove 413-G-499, four-gal. Oscar cooler, propane lantern and propane stove.

Strong Showing

Ash flashlights and lanterns, which traditionally pick up during the winter, made a strong showing, taking five spots among the top 30. Best among this group was the Super Light 3D 3745-1, which realized $1,729.

The Spalding Barry, Dr. J and Swisher basketballs all remained in the top 60, although all took lower slots. The Dr. J dropped from second to 50th, Barry from 11th to 43rd and Swisher from 39th to 60th. Meanwhile a Spalding soccer ball moved onto the chart and led all three basketballs as No. 32.

Other newcomers to the chart were two Hopkins cues, which settled in at 41st and 44th. A Marksman dart kit was 54th and a Precise pedometer was 59th.

SPORTING GOODS

(Continued from page 54)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
24	—	Coleman prpn stv econ 5400-A-700	37	37.96	1,404
25	—	Ash lantern 6V Masterbeam 7033/33	216	6.45	1,393
26	—	Rebel 3-tray tackle box lge 630	104	12.95	1,347
27	—	Ash heavy-duty flashlight AT 3350-1	600	2.24	1,344
28	—	Jet aer mag fillet knife 9-in. 2025	96	13.84	1,329
29	49	Marksman pistol, .177 1010	91	14.46	1,315
30	—	Master spincast 6-ft. 2-pc rod 7010	64	19.36	1,239
31	—	Precise Handyman Swiss Army	45	27.53	1,239
32	—	Spalding soccerball profilt 61-713	54	22.90	1,237
33	—	Coleman lantern 275-710	36	34.03	1,225
34	—	Daisy BB 6-gun pistol 179	68	17.29	1,176
35	—	Claw 7-ft. spnnng rod med DSSM329	64	18.23	1,166
36	26	Rem 158-gr-spl ammun 38S5/5138	113	10.20	1,153
37	—	Hopkins wrist control mens 452M	312	3.65	1,139
38	—	Precise slim lockback sml 16414	97	11.62	1,127
39	—	Precise slim lockback lrg 16415	85	13.05	1,109
40	—	Rem shot shell RS12-6	200	5.53	1,106
41	—	Hopkins 48-57-in cue take-apart 57C9	88	12.53	1,103
42	—	Precise 2 blade w/scissors 11839	76	14.35	1,091
43	11	Spalding Barry Basketball 61-226	66	16.29	1,075
44	—	Hopkins 57-in.cue 2-pc wrap	113	9.36	1,058
45	—	Marksman rifle .177 7401	33	30.89	1,019
46	—	Precise drop point skinner	54	18.36	991
47	46	Crosman 177 pellet disp 7177/177PD	874	1.13	988
48	—	Coleman slpg bg 3-lb nyln 8137-626	48	19.91	956
49	—	Rem 2¾ expr shell SP12-6	120	7.64	917
50	2	Spalding Dr J Basketball 61-232	66	13.72	906
51	—	Daisy Pal BB gun repeater 7105	49	17.90	877
52	—	Rem H/S 22LR 40 GRS 1522	500	1.68	840
53	—	Hopkins Don Carter bowling glove 484	120	6.97	836
54	—	Marksman Shootin Darts Kit 7000	39	21.26	829
55	—	Precise blackhawk skinner/hunter	54	15.33	828
56	28	Coleman 21A slk mntl 21A-1001	1,550	0.53	822
57	—	Vlchek 2-tray tackle bx assort PA102	114	7.16	816
58	—	Precise fold-hunter w/saw bd 16412	55	14.74	810
59	—	Precise pedometer stride adj 25235	60	13.46	807
60	39	Spalding Swisher basketball 61-275	84	9.52	800
61	—	Precise Deerslayer 3 blade	79	10.05	794
62	23	Crosman BB/177 pellet rifle 5766/766	15	52.68	790
63	—	Rem 45 auto 45AP4/6645	51	14.78	754
64	—	Precise Trail Point Hunter 10830	39	19.16	747
65	—	Precise Scout Swiss knife 16931	47	15.75	740
66	—	Precise blackhawk skinner 16402	48	15.33	736
67	—	Rem shot shell DP12-6	100	6.98	698
68	—	Rem 108-gr 30-06 spr/fld 30064/6430	67	9.70	650
69	—	Rem 22LR Yellow Jacket H Pt 1722	300	2.02	606
70	—	Rem 2¾ exp shell SP16-71/2	80	7.30	584

Source: Stem Distributors

NMRI Sets Theme For Merchandising Convention

NEW ORLEANS—The National Mass Retailing Institute will hold its annual merchandising convention at the Fairmont Hotel here, May 10-14.

The convention's theme will be "Refinement of merchandising strategies to meet today's consumer and profit requirements . . . refinement of management and operating techniques to raise productivity."

Gee Bee to Add 2 Pa. Units by '81

JOHNSTOWN, Pa.—Gee Bee will open two new discount stores in Pennsylvania by 1981, one in Pittsburgh and the other in York.

The Pittsburgh site, in the Southland Shopping Center in Pleasant Hills, is a 90,000-sq.-ft. former J. C. Penney. It will be completely remodeled and refurbished, and is scheduled to open in the spring of 1980.

An 80,000-sq.-ft. Gee Bee store will also be opened in 1981 west of York, in the newly announced Crown American West Manchester Mall. These openings will bring the total number of stores in the chain to 18.

Welcome to the World of
Strawberry Shortcake™

Strawberry Shortcake™ comes to Plus Mark for Christmas.

Strawberry Shortcake, the newest star in character merchandising, has come to Plus Mark in time for Christmas. She's women's favorite design motif—the strawberry—brought to sparkling life. So she's a natural on giftwrap, ribbons, bows, boxed cards and more.

And Strawberry Shortcake is going to be a pre-sold success for you, too. Because big names like Kenner Products, St. Regis Paper, American Greetings Corporation, Parker Brothers and Random House are behind her with million dollar advertising plans. There's even an animated TV special.

A Plus Mark Exclusive.

Plus Mark has an exclusive on Strawberry Shortcake promotional gift wrap and boxed cards for Christmas 1980. So if you want this sweet success on your shelves for Christmas — call your Plus Mark rep today or phone us direct at (615) 639-7878

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Spring Car Care Buy-in: Pp. 37-60

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Retail Execs' Pay Low, Lags Behind Other Industries'

NEW YORK—Salaries of executives in retailing—particularly mass merchandising—are low and are continuing to lose ground in relation to other industries, according to a report by Arthur Young, the accounting firm.

Edwin Mruk, managing director of the firm's executive resource consultant division, told an elite group of discounting executives at the recent Top Management Conference sponsored by the National Mass Retailing Institute that retailing's salaries lag behind other industries' at each level of management. He warned that if the industry is to attract the executive talent it will need to thrive in the 1980's, compensation packages will have to be revised to become more competitive.

Mruk blamed the top executives of retail companies for allowing the industry to lose its allure to young men and women.

"This picture of compensation in the retail industry is admittedly dismal and dispirited. In the 50's and the 60's retailing was one of the highest-paying industries and could attract talented, bright, hard-working, ambitious and entrepreneurial young people. That situation does not exist now, but I believe it will return," he told the conference.

"Too frequently, however, the retail view has been myopic. Retailing compares itself only with itself and not with other industries. This situation must change in this decade, and I predict we are seeing first signs that it will develop rapidly as it takes hold. Those retailers who look to other fields and begin to compare themselves with other industries and emulate them in their search for management talent in the 1980's will be the most successful. Those who do not will not have success."

A biennial study of executive compensation was published last year by Arthur Young. The study, for which Mruk was responsible, showed that in 1978 the average total compensation for chief executive officers of companies with sales of $200 million to $1 billion was $239,046. Retail companies of the same size paid ceo's only

(Continued on page 62)

CEO's Total Compensation, 1978 Averages

Company Sales (in millions)	Retail Industry	Mass Merchants	All Industries
Under $100	$140,700	$110,500	$132,974
100-200	127,300	123,666	177,600
200-1,000	197,722	190,492	239,046
Over 1,000	354,100	444,823	392,482

NOMINATIONS have been received for DSN's Discounter of the Year award and for Discounting's Hall of Fame. See story, p. 2.

Chains Multiply Printing-Calculator Sku's

Nationwide DSN Report

The tax man may be mostly unloved, but not by calculator merchandisers.

In 1980, discounters are going heavier than ever with high-ticket and high-margin printing calculators in anticipation of harried taxpayers seeking aid in filling out their returns.

Price points for printing calculators in 1980 are widely divergent among discounters. While most will be in the $60-$70 range everyday, Community is offering a $49 unit and Gee Bee a $130 model.

Where in the past most discount chains may have carried one or two calculator sku's with printing capability, this season chains such as Bi-Mart and Gee Bee were planning on at least five models with the newer hand-held units being added.

And while most discounters, including Heck's, Community, and Gibson's, still consider printers basically a one-season piece of merchandise, Gee Bee

(Continued on page 65)

12 Philly Jeffersons to Add Ward Desks, Outdoor Biz Areas

GARFIELD, N.J.—Outdoor sales areas, Montgomery Ward catalog order desks and in-store restaurants will be added to the 12 Philadelphia-area Two Guys stores just acquired by Jefferson.

A spokesman for Montgomery Ward, Jefferson's parent, added that automobile service centers may be added to some of the stores later, and that the Jefferson/Ward stores would offer repair and delivery services similar to Ward's.

The latest Jefferson acquisition gives the chain a 20-store base in the Philadelphia market. The first openings, comprising four previously acquired units, will come in March, and all 20 will open by the end of the year.

The agreement reached between Ward and Two Guys' parent Vornado calls for delivery of "broom clean" properties by May. The Two Guys stores were closed briefly, then reopened

(Continued on page 4)

Unique Mix Helps Make Mervyn's Coast Apparel Star

By Judith Crown

HAYWARD, Calif.—Mervyn's, wielding a unique merchandise mix, combined with sophisticated computer technology and disciplined operations, is continuing to shake up the moderate-priced apparel market on the West Coast.

Executives say the chain offers value by promoting but not discounting—that an entire wardrobe can be purchased for under $200.

The assortment comprises a narrow and deep assortment of basics: Levi Strauss and private label merchandise, which are heavily promoted, and other key mainstream brands that are offered mostly at full price.

The 60-unit chain headquartered here did estimated sales last year of $641 million.

This provides tough competition for upscale discounters like Gold Circle which are unable to offer national brands, and off-price chains like Atherton's Pic-a-dilly, which cannot offer depth or continuity of merchandise.

Mervyn's has been one of Dayton Hudson's strongest suits since it acquired the chain in 1978. Mervyn's and Target have been pacing the parent's sales gains and are the strongest contributors to its bottom line. Mervyn's had sales increases of 34% for the first nine months of 1979, 36% in December and 32% in January. Every store is profitable, according to spokesman Lizette Weiss.

Mervyn's plans to double in size within the next five years—mostly within its current markets in California, Arizona, New Mexico, Nevada and Oregon, with expansion into new trading areas in

(Continued on page 5)

Mervyn's regular promotions of Levi's Bend Over pants (l.), shown here at the Redwood City, Calif., store, provide stiff competition for discounters like Gold Circle, unable to obtain nationally branded soft lines. Men's wear in a San Jose, Calif., area Gold Circle is pictured above. (DSN photos)

NSGA Showgoers Focus on Apparel, Leisure Equipment

CHICAGO—Merchandisers gathered here for the National Sporting Goods Association show concentrated on leisure sports equipment and accessories, and sports apparel, as prospects for those categories got near-unanimous high marks.

The exercise category, roller skates and inflatable boats also got attention, as buyers anticipated continued strength in those classifications, but hunting, fishing and camping are being counted on for a firm foundation.

Milt Aronowitz, sporting goods buyer for Jamesway, is getting good results with skates and exercise.

"I keep getting calls from the stores, asking me to step up the test program in skates,"

(Continued on page 67)

14 Stores Already Shuttered

Korvettes Is Seen Returning to Discount Approach

NEW YORK—Korvettes has focused its 11th-hour survival efforts so far on closing unprofitable stores—14 have already been shut—and is returning toward discount store merchandising.

The other major element in the plan, arranging additional financing, was being pursued at presstime by Korvettes' parent Agache-Willot, according to the retailer's chairman Alain Mathieu.

The radical store surgery, with at least two more units expected to be closed, and a "return to the concept of basic value that was the foundation of the company's original success" support DSN's analyses of the basic problems faced by what had been a 50-store chain (see DSN, Nov. 5, 1979, p. 1; Jan. 28, 1980, p. 1).

But Korvettes' need to arrange additional financing, after Agache-Willot purchased the chain from Arlen Realty & Development Corp. 11 months ago for $35 million and then pumped in more than $30 million in working capital, points up the the seriousness of the problems facing the chain.

Nicholas Palihnich, Korvettes president, asserts the chain will be profitable by 1981. He made this projection in responding to a series of questions posed by DSN after the retailer released broad details of an extensive marketing and operational program to "turn Korvettes around by generating more profits from fewer stores."

The twin tracks Korvettes is pursuing simultaneously call for (1) reducing costs by closing unprofitable stores, leasing out excess space, consolidating warehousing, cutting back on headquarters and store work forces, and streamlining advertising; and (2) redirecting merchandising to become "a promotional department store" by "carrying lower-priced lines in important areas and promoting items more aggressively."

This year could answer the questions of whether Korvettes' new program is the answer to its problems, whether it has enough time to do the job, and whether it will have the necessary financial support.

The 14 stores closed by Korvettes generated $95 million in sales and produced an $8 million loss. (Korvettes' fiscal year ended Feb. 23, 1980. In its pre-

(Continued on page 66)

Retailers, Other Firms Give 'Platform'

WASHINGTON—Retailers and other delegates to the White House Small Business Conference last month asked President Carter and the Congress to support legislation freezing the Federal minimum wage, to reduce taxes for small firms and to block the "monopoly and conglomerate growth of giant corporations."

Small business representatives also requested in 60 proposals special treatment from regulatory agencies, additional Federal protection against inflation and more Government help to survive the energy crisis.

Besides asking for legislation and programs to help small businesses, the 1,600 delegates recommended shifts in Administration economic policy that would benefit large firms as well. The delegates urged the President to place high priority on balancing the Federal budget and slicing payroll taxes by freezing the Social Security wage base and rate at the January 1980 level.

In effect, amounting to a "platform" for small businesses, the resolutions came out of workshops on a dozen issues including regulatory problems and paperwork, capital formation, women in business, energy, economic policy and Government programs and international trade.

Of the 60 proposals finally approved, the top 15 were high priority. The proposal which received the most votes called for a replacement of the present corporate and individual income tax schedule with more gradual rate scales. In addition, the schedule would raise the corporate income level receiving the maximum tax rate from $100,000 to $500,000.

Another proposal called for the adoption of a simpler accelerated cost recovery system to replace the present one, giving small businesses a break in depreciating equipment for tax purposes. Among the other top priority recommendations were proposals to:

- Provide for a tax credit for initial investment in a small business and permit deferral of taxes for rollovers of investments affecting small businesses.
- Provide tax incentives in the form of a new security called a Small Business Participating Debenture to provide a source of capital for small businesses.
- Revise estate tax laws to ease the tax burden on family-owned businesses and encourage the continuity of family ownership.

Other recommendations would:

- Reimburse small businesses for court costs, reasonable attorney fees and administrative

(Continued on page 8)

Candidates Nominated For Discounter Awards

NEW YORK—Five top discount store executives have been nominated for the Discounter of the Year award that is presented annually by DSN to the person who has made "the most significant contribution to discounting during the previous 12 months."

Nominations have also been announced for Discounting's Hall of Fame, which honors individuals or teams who made "the most significant contributions in the history of discounting."

The executives nominated for Discounter of the Year are:

Carl Bennett, president, Caldor: developed his Northeastern regional company into the industry's 15th largest chain.

Arlie Lazarus, president, Jamesway: helped make Jamesway one of the fastest growing regional chains, and a leader in providing community service.

Charles Lytle, president, G. C. Murphy Co.: is engineering a significant turnaround for the company, which is the parent of Murphy's Mart.

Ken Macke, board chairman, Target Stores: led the chain's rise to the $1 billion mark in sales.

Jim Newgent, president, T.G. & Y. Stores: is piloting conversion of the billion dollar-plus variety store operation into a major discount chain.

The nominees for Discounting's Hall of Fame are:

(Continued on page 8)

Spotlight on: Domestics Display

Gold Circle Gives A Hang For Sheets And Pillowcases

SAN JOSE, Calif.—At Gold Circle, domestics customers can see how a pillowcase will look on a pillow and see the effect of a sheet stretched across a mattress. The linens are merchandised on shelves with coordinated bed coverings hung underneath.

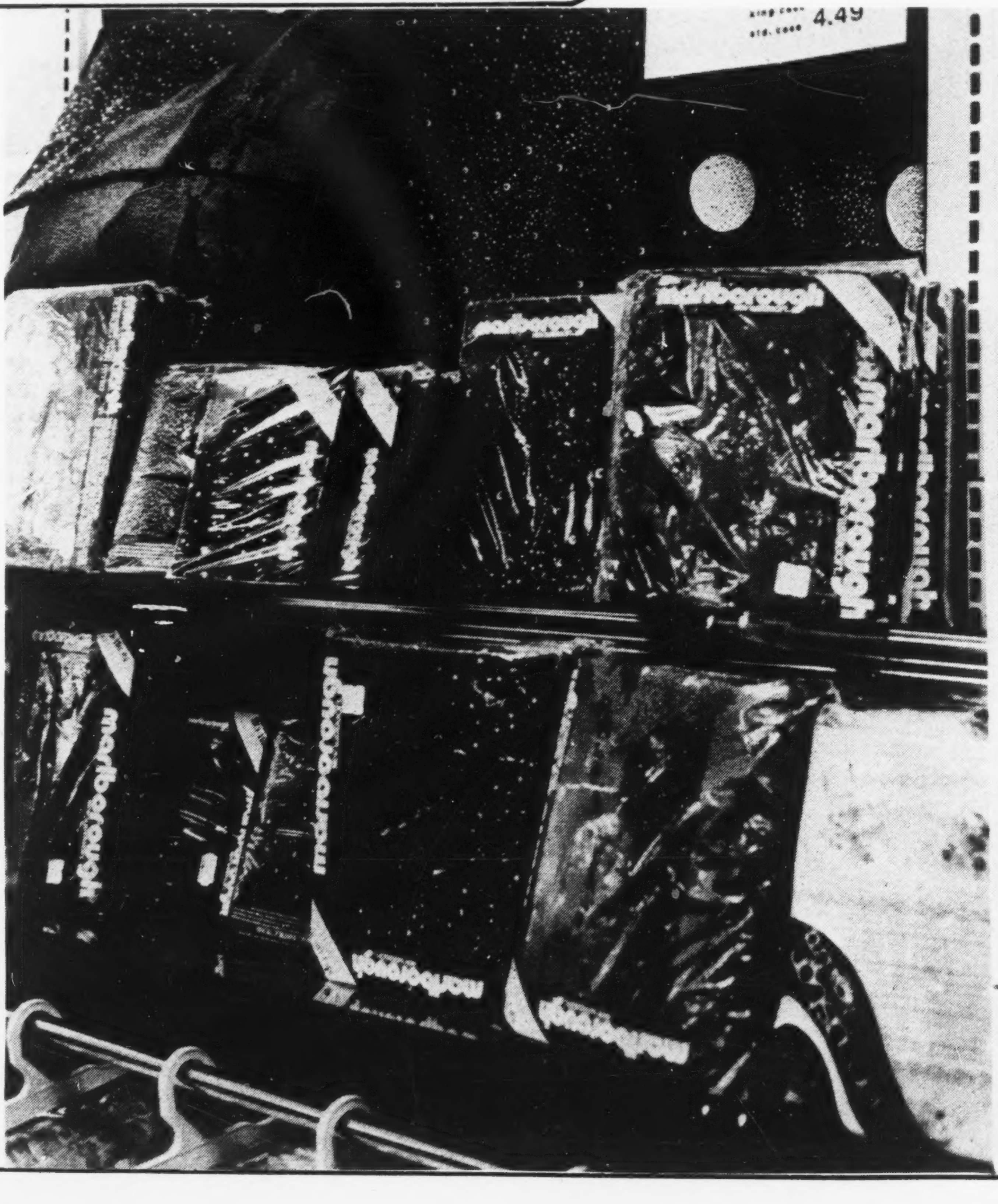
The overhead displays are simple merchandising tools that show the impact of a print and break up the monotony of a long gondola.

This presentation is of Marlborough's "Sightings" at Gold Circle's Hillsdale Avenue store outside San Jose.

Similar displays are scattered among four gondolas of bed linens which include offerings under Pacific, Thomaston, Bibb, Marlborough, Lady Pepperell, Pequot, Danville and Tastemaker labels.

Domestics does 12%-15% of sales chainwide.

(DSN photo)



In This Issue...

FORK IN THE ROAD? After a decade of automotive sales growth, discounters may see a slowdown. They expect decreased consumer spending on most nonessential auto products, due to soaring petroleum prices and a lagging economy. However, as DSN's Spring Car Care Buy-in section reports, there are many potential bright spots. The increasing trend among consumers to maintain their vehicles better, rather than buy new ones, should further spur volume in items useful to the do-it-yourselfer, and products that will make cars run more efficiently or increase gas mileage. The latter have already shown a yearlong gain in movement, according to the latest Product Movement Audit. A possible downbeat note is being sounded with respect to the car stereo boom, where at least a few chains have cut inventory. (Pp. 37-60)

POST-YULE Rx. Vitamins and cold remedies are in the forefront of many discounters' post-Christmas advertising drives. Among the chains using H&BA promotions: K mart, Murphy's Mart, Korvettes, Target, Gold Circle, Jefferson and Gold Circle. (P. 35)

DISSA AND DATA. The DSN/Touche Ross Discounter Management Development Series offers another installment in its electronic data processing study. This one gives the do's and don't's of reporting and allocating EDP expenses. (P. 23)

HOT JANUARY. Many leading discounters registered double-digit sales gains in January. (P. 28)

MONEY TALKS. Retailer-financed political action committees are growing but the NMRI's prexy finds some cause for concern. (P. 7)

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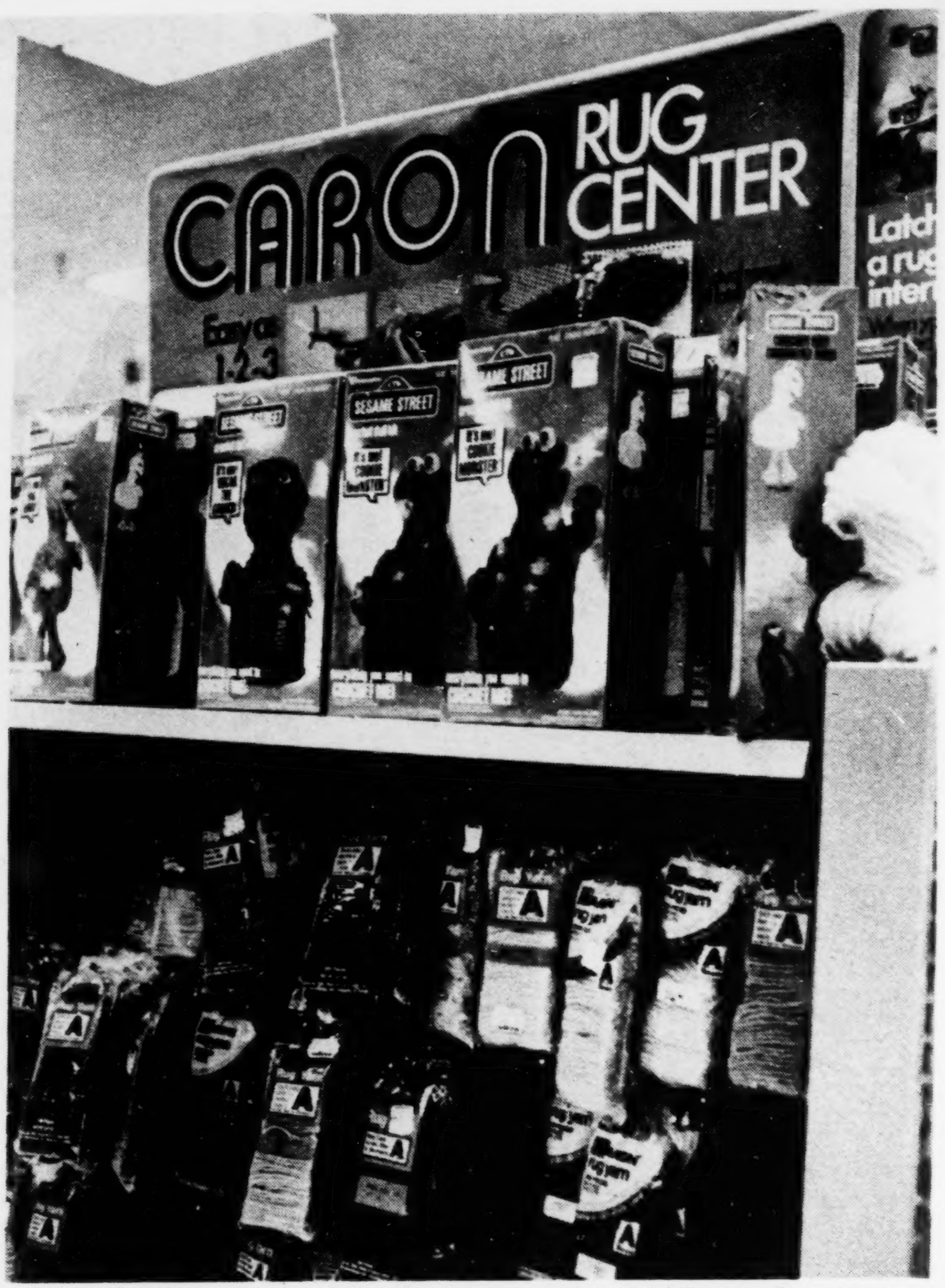

Latch hook kits, perhaps the fastest growing hobby/craft category for discounters, are offered with accessories in a soft crafts department in Gold Circle near San Jose, Calif. (DSN photo)

Retail Executives' Pay Low

(Continued from page 1)

$197,722 on average while mass merchandisers were below even the retail average—$190,492.

In middle management positions, retailing was also significantly lower than other industries. The study pegged average compensation at that level in 1978 as $41,509 for all industries and only $38,683 in retailing.

Mruk cautioned that retailing's response to its sinking appeal must be across-the-board, not simply at top-level positions. "It will not be enough simply to try to attract the key people at the top; a top-quality supporting cast must be developed as well."

Currently, he told the conference, retailing is perceived as a relatively unrewarding career by talented young persons.

"A recent survey of business school graduates ranks retailing only slightly above utilities as an industry to which graduates are attracted. They tend to think of it as an exciting field where entrepreneurial skills may be used, but not an industry in which these skills are rewarded.

"As a general business proposition, the riskier the business, the more the executive should be paid if that person is successful."

While retailing as a whole also trails other industries in the use of stock plans as a reward to executives, mass merchandisers have a far better record than other retail segments. Other than in the retail industry, Mruk said, approximately 70% of publicly owned companies have stock option plans.

Only 39% of publicly owned retailers have similar plans but when mass merchandisers are considered alone 73% have such plans.

Mruk predicted that retailers will increasingly turn to option plans and other stock-related means to supplement base salaries in the 1980's.

But while retailers must play catch-up ball to again become competitive in compensation programs, other pressures will make the task difficult.

"Clearly the recessionary economy, coupled with continuing double-digit inflation, has put corporate managements between the proverbial rock and a hard place with respect to executive pay. The rock is the executive's need for more dollars to fight inflation. The hard place is the company's ability to pay in a period when corporate performance may well decline. Add to that a Government pressure to restrain pay increases, which will probably stay with us in one form or another."

Executives, especially chief executive officers of companies in all industries, have actually experienced a decrease in real compensation—aftertax income adjustd for inflation—in the period from 1972-78. Retailers, whose total compensation has increased at a slower rate than the overall average, were especially affected.

For the top executive group, which Arthur Young defines as the ceo, chief financial officer, treasurer and controller, the average salary increase in 1978 was 12.2% in retailing while the average for all industries was 13.6%. The differences found in earlier studies was even greater. In 1976 retailers in the top executive group received average increases of 10.1% compared to 14% as the all-industry average, and in 1974 the figures were 3.7% for retailers and 11.8% overall.

From 1970 to 1978, of 24 industry groupings, the average total compensation of retailing ceo's dropped from a ranking No. 1 to 14th while the top executive group dropped from third place in 1972 to 13th.

Hobby Buyers Maintain Basics Approach

(Continued from page 3)

peat customer, and less-advertised items such as track for road-race sets usually get 60% markups.

Still, many discounters are reluctant to get involved in anything but the fast-moving basics.

"Anything above $49 belongs in a hobby store," said a buyer from a western regional discounter. "Even kits don't lend themselves to self-service—they require explanation. There is a risk of markdowns. We do well with entry-level remote control cars and railroads."

A buyer from Western Model, a Cincinnati-based distributor, said in hard goods hobbies, he saw an emphasis on staples with few new categories and with the major manufacturers trying to keep a lid on prices.

In hobbies and crafts overall, he said, latch hook kits have enjoyed the strongest growth in the discount market.

"It doesn't take a lot of sku's to set up a department," he noted. "They are most successful when merchandised with domestics rather than hard goods kits and sets."

Discounters appreciate the high markup in latch hook kits—typically 50%—and an average of six turns a year.

"After all," the Western Model buyer said. "Hobbies are supposed to be profitable."

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Dennison
Stationery Products and Systems
Consumer Products Division

Washington Beat

(Continued from page 7)

tion Commission figures, but labor organizations topped this amount, contributing $10.3 million. Trade, membership, and health-related organizations contributed $11.5 million.

In 1978, a total of 1,459 PACs gave support to candidates for national office.

Retailers contributed hundreds of thousands of dollars. Sears, Montgomery Ward, and J. C. Penney all made contributions through their PACs. Also, trade associations, including the American Retail Federation (ARF) and the National Retail Merchants Association (NRMA), assisted candidates through PACs. The ARF contributed over $10,000 to House and Senate candidates; state chapters gave additional support. The NRMA contributed over $2,500. War chests for this election year are already beginning to receive substantial funding.

"It's a great thing for us," Fisher said of the NMRI PAC. He and Brecker spearheaded the group's formation. He added: "The effect will be known to the rest of the industry. We will be supporting candidates who will be fair and equitable with retailers."

At the midpoint this year, it will be interesting to examine which candidates discounters have supported and how they fared in the primaries. Whatever the outcome, discounters are paying attention to the important effect that Washington has on them.

Practicality Accessories Key

(Continued from page 49)

guards, chrome wheels and similar merchandise may have been of negligible importance to ALCO and Pamida, chains such as Jamesway and others are bracing for worrying declines in their accessory sales.

Even rubber mats, which the Pamida spokesman singled out as particularly good performers, are said by a Jamesway merchandiser to have fallen off.

"Accessories have always been important to our promotions," he said, "but this year we're going to have to be very selective in choosing key items to promote. Building traffic may be difficult so we have to choose items that are useful to our customers."

Rather than endcapping dress-up products such as driving lights and sport mirrors, Jamesway will stress promotional merchandise such as foot-operated air pumps and bug removers to draw people into the stores and the department.

"We'll merchandise a foot pump as something that can help save gas by maintaining proper tire pressures," the spokesman said.

Practicality will also be the key to accessory merchandising at Heck's and Fisher's Big Wheel.

"If a customer doesn't have to have something to keep his car running, he's not going to be inclined to buy it," the Heck's spokesman said. "More than ever before, you have to show him he needs it before he'll buy it."

The Big Wheel spokesman said that accessories that are useful to the do-it-yourselfer—tools, jacks, test equipment and such—have the most chance of maintaining sales momentum.

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Spring Car Care Buy-in

Sales of Nonessential Auto Items May Brake in '80

By Miles W. McBurney

After years of accelerating sales, discounters in the auto aftermarket say they may see a slowdown in 1980.

Encumbered simultaneously by a poor economy and out-of-control petroleum prices, merchandisers anticipate decreased consumer spending on most nonessential automotive products.

The bright spot in the picture focuses on automotive basics needed by consumers to run their cars, particularly products which will help increase gas mileage. Chain spokesmen report that higher-mileage motor oils are increasingly popular and anticipate high demand for tune-up parts and tools this spring.

However, accessories such as car stereos, the hottest high-ticket merchandise of the late 1970's, are cooling off rapidly for some discounters. Other accessories, of the nonfunctional, dress-up variety such as racing mirrors or wheel covers, are being cut back in the expectation of lessened demand.

"Generally, we'll be happy just to meet last year's sales figures," said a buyer at Fisher's Big Wheel. "I expect it to be a very basic year. We're being very cautious with inventory levels and have been since last fall. We began controlling inventory levels in October and cut back more in December. If we had 12 items on a peg, for instance, we might have cut back to eight in October and six in December."

However, Big Wheel, unlike some other chains, is reducing stock rather than selection to meet the changing market conditions. "We don't plan to drop anything," the spokesman said. "You could say we're going with breadth without depth."

While buyers are predicting a relatively strong year for basics, they also face challenges from that merchandise. Polymer polishes, new products for most discounters this coming season, are a subject of some skepticism both because of price and the effort needed to apply them. And oil, perhaps the most basic automotive product for discounters, may be double the everyday price point from last season before the summer ends.

While buyers at chains such as Heck's, Pamida and Gee Bee, among others, are mildly optimistic about their car wax sales this season, they will be warily tracking the performance of the polymer products.

(Continued on page 60)

The Outlook: Functional Basics To Gain as DIY Trend Widens

The market outlook for automotive in 1980 includes:

- A decline in the appeal of dress-up accessories as consumers are forced to defer nonessential purchases.
- Modest gains in functional basics such as spark plugs, filters, tools and similar merchandise as consumers increasingly turn to DIY for routine maintenance.
- A continued surge in the body repair category and strength in the middle price range of waxes as consumers seek to maintain the appearance of their present vehicles.
- Sharply higher prices for motor oil—about 20% at retail—with increases coming in rapid succession through the spring and summer. Sales volume will creep upward while unit volume shrinks as consumers stretch change intervals and reduce their driving.
- Fuel-saving merchandise, from inexpensive additives to radial tires, will assume greater importance as consumers try almost desperately to reduce energy costs.
- Car stereo, which was a major growth area both in units and tickets at the end of the last decade, will begin to slow for some discounters, accompanied by a return to more basic merchandise.

For discounters, such as FedMart in Torrance, Calif., tune-up merchandise, including spark plugs, kits and higher-ticket accessories, will be a key to automotive retailing this spring. (DSN photo)

Challenges Face Automotive After Decade of Growth

The decade of the 1970's saw automotive assume an increasingly important role as a traffic builder for discounters with the size of departments, turns and sales per square foot showing substantial gains.

However, as the promotional importance of the department grew and price competition from within the general merchandise discount industry as well as specialists intensified, both initial markups and gross margins declined from 1970 levels.

Average department size is now almost half again what it was in 1970, but has been holding relatively level in the last half of the decade. Turns have grown slowly but steadily from 3.7 in 1970 to 4.7 in 1979.

The most dramatic gains have come in sales volume, with sales per square foot almost doubling in five years. A major factor in this increase has been the inclusion of increasing amount of high-ticket merchandise from CB radio in the middle years of the decade to car stereo in the last few years. The DIY trend in auto maintenance has also increased tickets as has sharpening of self-sell sales techniques and packaging.

At the opening of the decade, auto departments often were limited to motor oil, low-end waxes, air fresheners, chemicals and similar inexpensive merchandise. In the intervening years whole new lines of merchandise were developed for the DIY consumer who shops discount stores. Categories such as body repair evolved from modest beginnings, and lines such as shock absorbers, mufflers, customizing kits and others were almost reinvented for the backyard mechanic.

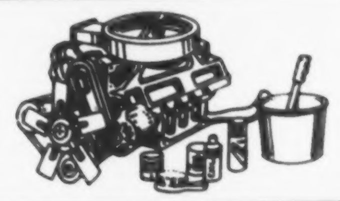
With a new decade begun, discounters have established themselves as major retailers to the DIYer, an increasingly vital market position, but face new challenges as the nature of the automobile and America's attitude toward it change drastically. But much-altered designs, more-complicated maintenance and fuel economy considerations present opportunities for, as well as obstacles to, continued growth.

	1970	1974	1975	1976	1977	1978	1979	10-year change	5-year change	'78 vs. '79
Dept. Size (sq. ft.)	1,600	1,688	2,445	2,225	2,225	2,300	2,280	+42.5%	+38.3%	−0.9%
Annual Turns	3.7	4.4	4.4	4.6	4.5	4.6	4.7	+27.0%	+6.8%	+2.2%
Volume per sq. ft.	—	$107.00	$110.00	$166.73	$186.69	$195.34	$211.27	—	+97.4%	+8.2%
Initial Markup	35%	36%	36%	37%	35%	34%	33%	−5.7%	−8.3%	−3.4%
Gross Margin	32%	28%	29%	30%	30%	29%	28%	−12.5%	NC	−3.4%
Company Run	71%	86%	86%	90%	90%	90%	92%	+29.6%	+7.0%	+2.2%

NC—no change

Source: DSN Research

Spring Car Care Buy-in



Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Tune-up Items Surprisingly Hot; Seasonals Lag

By Herb Rechter
President,
Allied Accessories and Auto Parts Co.

As might be expected from a Product Movement Audit covering a sales period of Jan. 1 to Jan. 29, many of the top 100 positions were captured by winter seasonals.

The real news is, however, that seasonals did not do better, and that tune-up merchandise did so well and did it without the benefit of promotions.

To some degree the weather was a factor. A warm early winter depressed sales of cold-weather seasonals while extending the period in which the amateur mechanic could work on his car.

Taking up the slack left by some missing winter goods were chemicals, in a strong showing, and oils and filters, which did unusually well.

Figures supplied by Allied Accessories and Auto Parts Co., Madison Heights, Mich., cover 2,000 stores, including 1,700 discount stores, in 33 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

With a softening in automotive sales generally already apparent when compared to volume last year, I expect that PMAs in the near future will continue to reflect rankings similar to January's. Beginning this month, waxes will begin to replace many winter seasonals as retailers start to fill the pipeline for spring, but tune-up, filters, and chemicals will continue to be strong.

Accessory purchases which can be deferred by consumers will be especially soft while other accessories useful to the do-it-yourselfer can be expected to keep their relative positions.

This is illustrated by the ranking of the imported two-ton hydraulic jack in January which placed first in the top 100 in dollar volume. This jack is an upgraded version of the 1½-ton capacity model which we previously stocked and which also was a succesful promotional item.

Several chains which deal with us plan promotions with the two-ton jack this month,

(Continued on page 46)

AUTOMOTIVE ACCESSORIES

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	2-ton hydraulic floor jack	1,451	69.99	101,555.49
2	3	HD sealed beams, 6014	15,294	3.29	50,317.26
3	5	Motorcraft oilfilter, FL-1A	12,805	3.49	44,689.45
4	37	Pennzoil all-purpose, 10W-30	29,202	0.87	25,405.74
5	23	Roberk wiper blade refill, RR-16	10,693	2.19	23,417.67
6	7	AC oil filter, PF-25	6,473	3.49	22,590.77
7	79	Scraper/squeegee/snowbrush	13,139	1.69	22,204.91
8	18	STP gas treatment, 12 oz	12,863	1.59	20,452.17
9	12	Valvoline, 10W-40	21,477	0.93	19,973.61
10	11	Gumout Jet Spray	9,908	1.99	19,716.92
11	17	Warco DOT brake fluid, 12 oz	14,087	1.39	19,580.93
12	8	HD sealed beams, 4000	6,846	2.79	19,100.34
13	15	Quaker State Super Blend, 10W-30	18,096	0.97	17,553.12
14	9	STP oil treatment, 15 oz	10,368	1.69	17,521.92
15	25	Gumout carb cleaner, 16 oz	10,212	1.69	17,258.28
16	57	Motorcraft tune-up kit, DKF-10	2,801	5.99	16,777.99
17	68	Peak antifreeze, gal	3,852	4.29	16,525.08
18	—	Auto ramps, pair	631	24.99	15,768.69
19	61	Booster cables, sleeved, 12-ft	2,362	6.49	15,329.38
20	33	Pennzoil Deluxe, 10W-40	16,992	0.89	15,122.88
21	94	10-amp battery charger	391	36.95	14,447.45
22	10	WD-40 aerosol, 9 oz	8,014	1.79	14,345.06
23	44	Fram oil filter, PH-8A	3,975	3.59	14,270.25
24	35	Square sealed beams, low, 4652	2,827	4.99	14,106.73
25	28	Quaker State Deluxe, 10W-40	15,738	0.89	14,006.82
26	51	Roberk wiper blade refill, RR-18	6,244	2.19	13,674.36
27	40	AC spark plug, R44T	11,486	1.19	13,668.34
28	24	AC spark plug, R45TS	11,319	1.19	13,469.61
29	54	Rear window defroster	1,216	10.99	13,363.84
30	—	Prestone spray de-icer	9,563	1.39	13,292.57
31	21	Delco 8-cylinder tune-up kit, 101-2	2,062	6.39	13,176.18
32	26	GM 8-cylinder Uniset, 101-1	1,566	8.39	13,138.74
33	1	Armor All, 8 oz	4,345	2.99	12,991.55
34	43	Rislone Oil Alloy, qt	6,468	1.99	12,871.32
35	19	Warco DOT brake fluid, qt	3,420	3.59	12,277.80
36	49	Fix-A-Flat	10,119	1.19	12,041.61
37	38	Universal snow chains	1,243	8.95	11,124.85
38	65	National All-Purpose, 10W-30	18,000	0.59	10,620.00
39	63	Motorcraft spark plug, ARF-52	8,687	1.19	10,337.53
40	76	Valvoline Dexron ATF, qt	11,592	0.89	10,316.88
41	56	Aerosol spray de-icer, PS560	11,565	0.89	10,292.85
42	—	Rectangular sealed beams, 6052	1,259	7.99	10,059.41
43	—	Champion spark plug, RF14Y	8,408	1.19	10,005.52
44	85	Roberk wiper blades 16-in	4,555	2.19	9,975.45
45	60	Coleman air compressor	250	39.89	9,972.50
46	16	Aerosol starting fluid, R540	10,914	0.89	9,713.46
47	27	Bars Leak, 5½ oz	7,471	1.29	9,637.59
48	22	20-in wheel wrench	2,375	3.99	9,476.25
49	20	Bars Leak, 15 oz	4,967	1.89	9,387.63
50	—	Motorcraft spark plug, BF-32	9,440	0.99	9,345.60
51	—	Champion spark plug, J13Y	9,368	0.99	9,274.32
52	—	AC spark plug, R34TSX	7,408	1.19	8,815.52
53	84	Yale power steering fl, 15 oz	6,828	1.29	8,808.12
54	—	4-ton hydraulic bottle jack	580	14.99	8,694.20
55	—	Lock-Ease aerosol, 4 oz	5,134	1.69	8,676.46
56	83	Duel air horns	283	29.99	8,487.17
57	—	Champion spark plug, N7Y	8,520	0.99	8,434.80
58	86	GM 8-cylndr dstrb cp, DR1976	1,921	4.39	8,433.19
59	—	Champion spark plug, F14Y	8,512	0.99	8,426.88
60	36	Tam-66 undercoating	4,386	1.89	8,289.54
61	—	Prestone starting fluid	5,184	1.59	8,242.56
62	4	Gas line antifreeze	20,447	0.39	7,974.33

(Continued on page 46)

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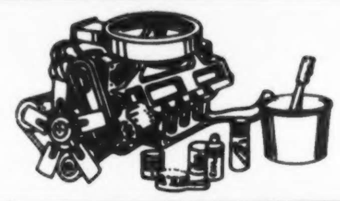

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Tune-Up Items

(Continued from page 43)

which resulted in the item's ranking in January.

In the last PMA, which covered September, the 1½-ton model at the same $69.99 retail price point placed sixth. However, for January we moved more than 1,000 additional units. September orders were for 408 units and January orders for 1,451.

Another jack, a four-ton unit, placed 54th. The four-ton model replaced a three-ton, which in September placed 32nd with 687 units moved, compared to January's 580. The price point of both models was $14.99.

Although we have never been a major supplier of oil to discounters, in recent months Pennzoil, Quaker State, and Valvoline have become significant volume producers for us as retailers are forced by rapidly rising costs to shop around.

Pennzoil's 10W-30 multigrade jumped to fourth place from 37th in September. The probable cause for this rise was that Pennzoil was a little slower in raising its price than other oil companies in January. The company's 10W-40 multigrade also improved its ranking, going to 20th place from 33rd.

Rounding out the top five finishers, the second-ranked 6014 sealed beams and the Motorcraft FL-1A oil filter are perennially strong products because of universality of application.

The fifth-ranked product is the highest ranking seasonal, Roberk's RR-16 wiper blade refill.

Seventeen of the 100 listings were captured by tune-up related merchandise led by the Motorcraft DKF-10 tune-up kit. Like the Motorcraft filter, the kit ranks high because it is an original equipment replacement for all Ford V-8s.

Champion spark plugs had an unusually strong month with four sku's among the top 100. In the aggregate, Champion moves a large number of plugs through Allied, but partially because of different packaging, individual sku's rarely break into the top 100 report. The equivalent plug comes carded in blister packs in addition to boxes but each package has a separate stock number and is considered a different sku. All four numbers in this PMA are boxed plugs.

Five numbers of AC plugs are listed with the remaining eight spots split among Motorcraft plugs, tune-up kits, and a GM distributor cap.

A year ago there were almost as many tune-up sku's represented but that was largely due to our effort to clean out our inventory of Autolite plugs as we switched from Autolite to Motorcraft. For so many tune-up parts to be on the list at this time of the year without major promotions is unusual.

AUTOMOTIVE ACCESSORIES

(Continued from page 43)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
63	62	3-section Antenna w/booster	1,047	7.59	7,946.73
64	—	Wynn Spitfire, 15 oz	4,692	1.69	7,929.48
65	—	CD-2 Black Lo, 15 oz	4,405	1.79	7,884.95
66	—	Super snow brush/scraper	4,894	1.59	7,781.46
67	48	AC oil filter, PF-40	2,352	3.29	7,738.08
68	93	Mopar oil filter, L-19	2,208	3.49	7,705.92
69	—	Rect quartz light, amber	453	16.99	7,696.47
70	—	Lucite scraper w/brush	4,978	1.49	7,696.47
71	87	AS400 brake fluid, 12 oz	4,296	1.69	7,260.24
72	—	DuPont Gas Guard antifreeze	14,760	0.49	7,232.40
73	66	Blower-defroster	546	12.99	7,092.54
74	—	GM combo tune-up kit, TK237	1,745	3.99	6,962.55
75	41	DuPont Rn Dance, pst, 14 oz	1,417	4.89	6,929.13
76	77	GM 8-cylndr tn-up kt, TK175	2,169	3.19	6,919.11
77	88	AC spark plug, R46S	5,768	1.19	6,863.92
78	—	Fram oil filter, PH-25	1,905	3.59	6,838.95
79	97	Power Liquid battery additive	3,420	1.99	6,805.80
80	45	AC oil filter, PF-30	1,918	3.49	6,693.82
81	—	Wynn carb cleaner, 11 oz	3,916	1.69	6,618.04
82	—	AC spark plug, 8/R45TS	675	9.79	6,608.25
83	30	Gunk aerosol	3,872	1.69	6,543.68
84	—	Casite Tune-up, 15 oz	3,863	1.69	6,528.47
85	—	Blind spot mirror, 3¾-in	3,785	1.69	6,396.65
86	—	Casite Motor Honey, 14 oz	3,780	1.69	6,388.20
87	80	Roberk universal washer pump	672	9.49	6,377.28
88	—	Heet gas line antifreeze	10,776	0.59	6,357.84
89	46	AC oil filter, PF-24	1,820	3.49	6,351.80
90	78	Auto bulbs, 1157/1034	7,122	0.89	6,338.58
91	50	Locking gas cap, 4610BL	1,044	5.99	6,253.56
92	71	Booster cable, deluxe clamp, 12-ft	476	12.99	6,183.24
93	29	5-gal gas can	773	7.99	6,176.27
94	—	Fram oil filter, PH-30	1,712	3.59	6,146.08
95	—	Valvoline F-type ATF, qt	6,886	0.89	6,128.54
96	—	AC oil filter, PF-2	1,848	3.29	6,079.92
97	—	Sun Visor, 1125C	2,507	2.39	5,991.73
98	74	CD-2 Red Hi, 15 oz	3,324	1.79	5,949.96
99	—	Roberk wiper blade refill, RR-15	2,711	2.19	5,937.09
100	72	AC oil filter, PF-35	1,679	3.49	5,859.71

Source: Allied Accessories & Auto Parts

This trend reflects the concern of most every motorist to keep his car running efficiently. With the cost of gasoline certain to continue rising, this bodes well for sales of these products.

Nonseasonal chemicals, particularly those which are said to increase gas economy, accounted for another 20 spots on the list. Chemicals have always been a strong line, but with fuel economy so important, gas and oil additives and carburetor cleaners and similar products can be expected to improve their sales performance even more.

Seasonals, chemical or otherwise, were disappointing this year and we are left with an unhappily large inventory. Although there are a considerable number of seasonal products on the list, there are fewer than should be expected and their rankings are not particularly good.

For example, last year there were three battery chargers among the top 100 and this year only one, the 10-amp model of which only 361 units moved in January. It achieved its No. 21 ranking by virtue of a $36.95 price point.

This relatively poor performance reflects not only the mild early winter weather but also a weakening in the automotive aftermarket. Many consumers would normally have made purchases of winter seasonals in anticipation of bad weather, especially after the experience of harsh winters the previous several years.

Fuel Worries Boost Movement Of Additives, Engine Cleaners

MADISON HEIGHTS, Mich.—The impact of America's real concern about fuel supply and prices can be seen by comparing the current Product Movement Audit with last year's.

While both reports naturally share an emphasis on winter seasonals, the 1980 PMA shows significant growth in products which make engines run better and conserve fuel.

A full 30% of the current top 100 are chemical additives, engine cleaners or tune-up kits and parts. In 1979, similar products accounted for 25% of the listings and benefitted from strong promotions aimed at reducing a large inventory of Autolite spark plugs.

Buyers for discount store chains predict that these gas-saving basics will continue strong through the spring and summer. If true, this means oils, filters, chemicals and tune-up accessories will take nearly half the listings in the top 100, leaving seasonals and especially high-ticket promotional accessories in a diminished position of importance.

That retailers cannot simply eliminate promotional accessories is underscored by the 1980 positioning of the imported 2-ton hydraulic floor jack. It placed first on the current PMA while last year the highest positioning for a high-ticket accessory was sixth for a 1½-ton jack.

A Jamesway spokesman, noting that store traffic figures at the start of 1980 were below 1979's, said his sales of impulse items have suffered. As a result, he said, promotions this spring and summer in the auto department must be geared to maximize traffic and image.

Bug Removers, Air Pumps Cited

Promotions will be run with both high- and low-ticket items and on merchandise which can be tied into other departments. The Jamesway spokesman cited bug removers as good low-ticket items to build traffic in the auto department and foot-operated air pumps as higher tickets that can benefit a department such as sporting goods as well as auto.

A spokesman for ALCO added that his 1980 plans include sticking with similar, functional accessories for promotions rather than dress-up merchandise which is expected to suffer because of economic pressure on consumers.

While hydraulic jacks are unquestionably high-ticket accessories they are also very functional, and as buyers at chains such as Heck's and Pamida note, the always-vital do-it-yourselfer will become even more important.

The weakening of nonfunctional accessories is illustrated by the comparative rankings of air horns. Last year they were 17th in dollars produced while this year they slipped back to 56th. On the other hand, auto ramps, which were 26th last year moved up to 18th in the current listing.

That motorists are keeping their cars longer before replacing them was apparent last year, with the numerous rankings of replacement headlights, battery chargers, booster cables and especially conventional tune-up kits. If confirmation of that trend were needed—beyond shrinking new car sales figures—it is contained in the current rankings.

Discount chain buyers are confident that this development will translate into sales gains for car waxes and especially body repair compounds and accessories this spring.

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7/30/80 C5150-203

BTS: Pp. 23-53; DIY Census: Pp. 57-78

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Tax Refunds Fatter; Will Stores Get Bigger Biz Bite?

Nationwide DSN Report

Top executives in the discount industry are divided in their assessment of the effects of an estimated $40 billion due to be refunded to Federal taxpayers this spring

See editorial, p. 6.

The Government estimate of $40 billion is significantly higher than the total of last year's refunds—approximately $30 billion—but most executives and retail stock analysts have little confidence that extra money to taxpayers will result in noticeable sales gains.

"I suspect it may not be as advantageous as it would be at another time," said Magic Mart president David Grundfest. "People are in a conservative mood and are reluctant to spend, especially on nonessentials."

Grundfest and several other executives polled by DSN said that consumers are so besieged by inflation, debt and other financial burdens that little of the $40 billion will be left for retail purchases.

"Tax refunds in the past had a positive effect on business especially in the higher price points. People would take their checks and use them for a big purchase such as a stereo," said Richard Tucker, executive vice president of Ayr-Way.

"We don't expect that to happen this year. Ordinary household expenses for fuel, food, borrowing and so forth are so much higher that there won't be a significant amount left."

Other executives are more sanguine about the additional $10 billion becoming available to consumers.

"If you remember the tax rebates that were sent out a few years ago, this has to make you feel better," said Arlie Lazarus, president of Jamesway. "That was only about $20 billion in all and we saw some definite benefits. People really did come into stores to spend it. Hopefully, the refunds will be coming to our type of customers and they will use the money in our stores."

Robert Soelter, ALCO's president, was optimistic even before considering significantly larger tax refunds. Late 1979

(Continued on page 5)

Shows $3 Million January Loss

FedMart's 'European' Approach Questioned

SAN DIEGO—The profit turnaround expected by FedMart has failed to materialize.

After experiencing a $3 million loss in its first quarter, ended Nov. 25, 1979, FedMart's sales in its current (Christmas) quarter are not reaching projections, and the chain has suffered a loss for the fourth and fifth periods (December and January) of just under $2 million.

Sources at FedMart pegged December's sales "slightly" under projections, but said there was a profit of approximately $2 million during the four-week period. January sales, according to the same source, were also slightly under projections at approximately $70 million, and higher-than-anticipated markdowns in the period produced a loss "in excess of $3 million."

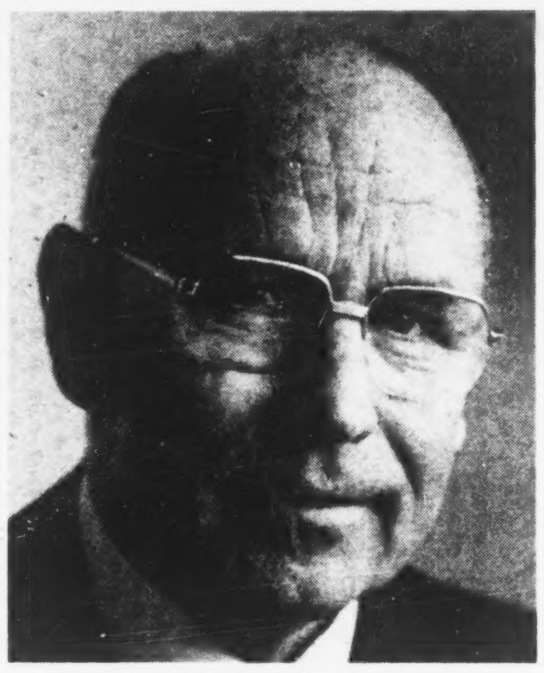
After completion of its two-year, $130 million expansion and remodeling program, FedMart is still coming to grips with two major stumbling blocks: improvement of its anemic nonfood sales (especially in higher-margin soft lines), and adjustment by the German management to the intense competition in American retailing.

These dual problems are seen by many industry observers as both the cause of FedMart's stall and the effect of president Heinz Gundlach's (and principal shareholder Hugo Mann's) unfamiliarity with the American marketplace.

The man who was right for FedMart's aggressive blitz of the southern California-Sunbelt market—Gundlach—is not a merchandiser; he is an investment banker, and less familiar with merchandising and marketing than experienced American retailers.

Gundlach, according to some California merchandising executives interviewed by *Discount Store News*, may need to hand over the reins to a new team: men who can solve the merchandising and marketing problems; men who are familiar with American retailing, especially in the Sunbelt and on the

(Continued on page 4)


Hugo Mann
Chairman, FedMart

FedMart*

Sales Breakdown

Category	1979	1978*	1977	1976	1975
Food/Sundries	56.2	54.2	57.5	56.6	59.4
Hard lines	25.5	26.4	23.8	23.7	20.2
Soft lines	9.6	8.9	7.2	7.3	6.7
Pharmacy	2.7	3.1	3.5	3.7	4.1
Gasoline	3.7	4.6	5.3	5.8	6.4
Auto Center	2.3	2.8	2.7	2.9	3.2

*Including units not yet converted to FedMart stores.

FedMart's bottom line still suffers from an excess of food sales, in spite of a recent improvement which has brought the ratio down, closer to 50%.

Source: FedMart

Some DIY Units, Discounters Are Good Neighbors

Nationwide DSN Report

While competition is heating up between discount store and home center operators in markets throughout the country, some discounters are discovering that DIY specialists can make good neighbors.

Last year, the Home Depot, a four-unit home center chain in Atlanta, founded by former discounter Bernie Marcus, took advantage of Treasure Island's decision to roll back the size of its stores and became a tenant of the financially troubled chain. The arrangement, which gave The Home Depot approximately 55,000 sq. ft. of space at each location, has thus far been a happy one.

"It's a natural relationship," said Bill Kent, district manager for Treasure Island's Atlanta

(Continued on page 7)

Discounting Week

A RICHER WAY? Richway has become the 20th division of parent Federated, reporting directly to Cincinnati rather than going through channels at Rich's, its Atlanta department store founder. The move follows a shuffling of the top brass at Rich's. At Richway, president John H. Weitnauer Jr. was elevated to chairman and ceo; Neil Bennett, senior vp for merchandising and marketing, was named president.

GUARD KILLED. Two gunmen killed an unarmed security guard at a Korvettes in The Bronx, and critically wounded two armored truck guards. New York City police said the killers fled with a $53,353 payroll, which had just been delivered.

NEW DISCOUNTER. Macks' variety store chain was set to open its first discount store at presstime, a 40,000-sq.-ft. unit in Sandersville, Ga., that will carry the Maxway logo.

TENDER PAYOFF. About 987,000 Payless Drug (Calif.) shares have already been tendered to Payless Drug Northwest, making the Beaverton, Ore., chain the winner in its battle with The Jewel Cos. for the California chain.

K mart Starts to Buy Basic Corning Lines Direct; Wal-Mart, Venture, Creative Discuss Same Step

Nationwide DSN Report

K mart this month started to buy Corning Glass' regular lines direct. Wal-Mart, Venture, Creative Merchandising and Merchandisers' Association Inc., are among a number of discounters, catalogers and coordinators that have acknowledged already discussing such a step with the manufacturer for next year.

Bradlees and Hills, the latter one of the top half-dozen retailers of Corning products, are among a number of chains that declined to comment on their plans. ALCO is interested in direct purchases but hasn't yet talked with Corning.

A number of chains including Bi-Mart and Goldman's aren't currently interested in buying direct, preferring to continue to use distributors.

Corning started to ship Sears direct last year and added K mart this month. The company plans to supply other retailers direct beginning in 1981 after it has worked out its program with K mart.

Concerns voiced by discounters and catalogers center on such key questions as: How broad a line do retailers have to buy? What are the minimum quantities for orders? How reliable will the manufacturer be in filling orders?

A Corning executive asserted that the company would "work out a program that is optimal for the retailers and that

(Continued on page 87)

kitchen plastics
houseware
GRAND OP
CORNING WARE
CORNING SIDEKIC
4.48
CORNING WARE Sidekick

Hills, Cheektowaga, N.Y., illustrates the broad assortment of Corning Glass items carried by some discounters. Two facing runs are used to display the merchandise.

(DSN photo)

Plush Bears, Frisbees, Lunchboxes, T-shirts Affected

Licensees, Not Buyers, Are Stuck in Olympics Boycott

Nationwide DSN Report

There will be few Mischa bears in toy departments this spring, and T-shirts, Frisbees, lunchboxes and posters with the logo and the mascot of the 1980 Moscow Summer Olympics are fast becoming collector's items.

Mischa, mascot of the Moscow Summer Olympics, is laughing on the outside.

The United States boycott of the Summer Games has dashed the well-laid plans of many manufacturers who obtained licenses from the U.S. Olympic Committee or through the Moscow Organizing Committee in order to cash in on the Olympic theme.

"The initial reception [to Olympic merchandise] was fantastic, but then some cancellations came in and now no one wants to talk about it or see it," said a spokesman for Chestnut Hill Marketing Co. near Boston, a national sales and marketing company that handles posters and T-shirts.

Most discounters won't be stuck with merchandise because President Carter announced plans for the boycott well before most buyers placed orders.

ALCO, for example, looked at merchandise, but didn't plan an Olympic theme and made no commitments to manufacturers.

"It's not a tremendous volume business anyway," noted apparel buyer Tony Tirendi.

A Gold Circle stationery buyer said: "No retailer who has any sense will invest in an Olympic line knowing we might not go." But buyers agreed that manufacturers who invested in an Olympic line are in a quandary.

Some manufacturers oriented toward the discount market who obtained licenses for Olympic lines are R. Dakin & Co. (plush Mischa bears), Stuart Hall and Mead (stationery products), The Shirt Shed (T-shirts) and Adamstown Hosiery (athletic socks). Buyers say H&BA items with the Olympic seal will probably fare better than novelty merchandise.

Naturally, those manufacturers who are further along in production are the most vulnerable. For example, Stuart Hall is well into production of a line of school supplies—one item is a record book with a blank chart for entering the names of gold medalists and their winning times.

"We may have a collector's item," conceded executive vp Charles Hanson. "We're waiting to see the outcome. We have other more important properties."

Mead, another licensee, developed a school supply line with track and field scenes trimmed with a red, white and blue border, but without the Olympic logo.

"We repositioned it as a sports line," explained associate market manager Blodwin Carter. "The question of the logo came up in planning, and leaving it off seemed to be the prudent business thing to do. We had hoped to capitalize on the excitement of the Olympic Games—it is a small but important part of our line. But we won't live or die on it."

A spokesman for Dakin said the company was not manufacturing, but was still taking orders, for its Mischa bears.

(Continued on page 5)

Energy Plan Could Close Stores Day Each Week

By Ken Rankin

WASHINGTON—The Carter Administration's new "standby" Federal energy conservation plan includes provisions which could force many discount stores to close their doors at least one day each week.

The controversial plan calls for a "compressed workweek"—one day shorter than normal operations—to cut gasoline consumption during the next major energy crisis.

The Federal restrictions would only take effect in states that fail to implement effective energy conservation programs of their own, but Department of Energy officials told *Discount Store News* that as many as a dozen or more states could fall into that category.

In issuing the new Federal emergency plan, Government energy regulators maintained that "retail sales . . . should not be significantly affected by a compressed workweek," because "research on the effect of Blue Laws [i.e., Sunday closings] on aggregate retail sales has shown that total weekly retail sales are not significantly affected by such restrictions."

Retail industry leaders disagree, however. Although the new Federal "compressed workweek" approach would apply equally to manufacturing and service industries as well as retailing, chain store operators are expected to raise the most strenuous objections.

The one-day-a-week shutdown plan is still in the proposal stage—D.O.E. officials don't expect to issue final regulations until after a series of hearings—but other provisions of the new Federal standby program were issued in final form.

Among those final new "interim" emergency conservation mandates:

- Reactivation of those controversial building thermostat ceilings set to expire;
- New odd-even and dollar purchase restrictions on gasoline sales;
- Tighter enforcement of the 55 m.p.h. national speed limit;
- Requirements that stores with 100 or more employees develop their own programs to encourage car pooling and other energy-saving types of transportation for workers.

D.O.E. considered, but rejected a number of other standby energy conservation mandates, including restrictions on retail store lighting. Department officials noted, however, that individual states may wish to consider including such restrictions in their own local emergency conservation plans.

Tradeway Shutters 6 Stores

INDIANAPOLIS—Tradeway closed six stores to cut back to a core of eight as it tries to reorganize under Chapter XI.

Tradeway's management expects to present creditors with "initial ideas" for a reorganization plan early in April, a representative for the company declared.

But a spokesman for the creditors committee said the group will press to have "some rough format of a plan" presented at the March creditors meeting. That meeting will also review Tradeway's current financial statement and the information available on its fiscal

(Continued on page 80)

Spotlight on: Cube Display

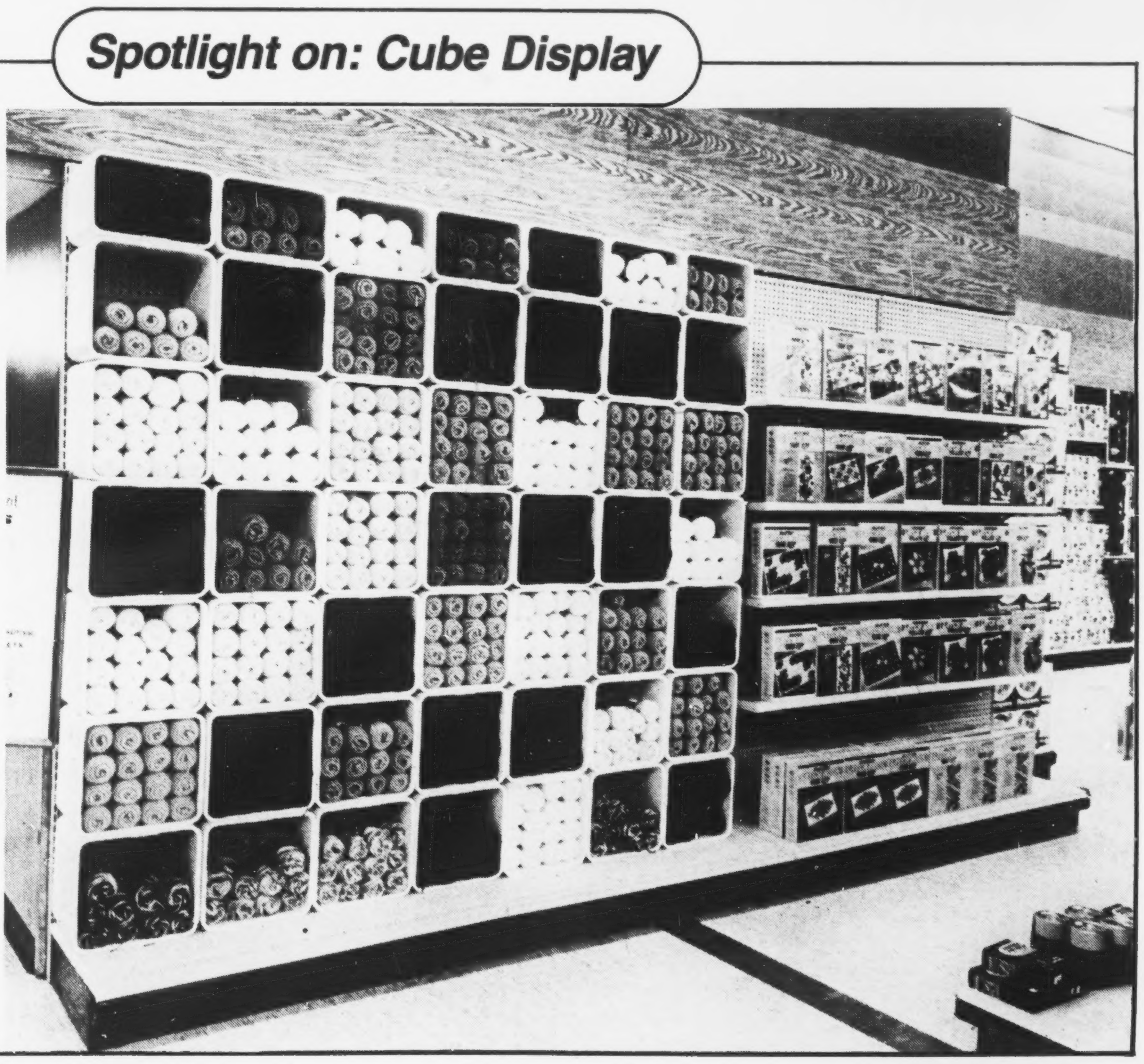
Stacking Makes An Interesting Yarn at Zodys

Zodys, a division of Hartfield-Zodys, uses this cube display of yarn in its Slauson Avenue, Los Angeles, store.

Use of the stacked cubes simplifies checking of stock levels, maximizes the visual impact of the multi-hued yarns and keeps the stock in neat array.

Cross-merchandising of soft crafts on the adjacent gondola encourages the yarn buyers to try a new project, while making supplies conveniently available to the craft kit buyer.

A similar cube display at Bradlees on the East Coast tops the six-high cubes with shelved goods, rather than the half-size cube used at Zodys. Bradlees also stripes its yarn, arranging similar or complementary colors vertically. (DSN photo)



In This Issue...

SCHOOL DAYS. Discounters will be trying various strategies, including shorter counts and private label, to maintain price points in the 1980 back-to-school season. While basics are expected to have the most appeal in many back-to-school categories, high-ticket office products are being tried in stationery departments, and velour, chenille, status jeans and the preppy look are being stressed in children's apparel. (P. 23)

SWEET SUCCESS. More emphasis on single-bottle fragrances gave this merchandise the boost it needed to achieve record Christmas sales, according to the December H&BA Product Movement Audit. Single bottles of women's fragrances increased sales by 35% compared to 1978. (P. 74B)

DIY CENSUS. Discounters are continuing to add home improvement departments to their stores at a quick pace. The DIY Census shows 300 departments opened in 1979 with nearly 300 more due this year. Significant merchandising trends also are tracked in the census. (P. 57)

SHARE OF THE PIE. Pizza pans and cutters added strength to nonelectric housewares in the normally slow first quarter, the most recent Housewares PMA reports. Specialty products added spice throughout the category as previously underplayed products received new attention. (P. 13)

CASHING IN. The technique of cash management—vital in optimizing profit performance—is the topic of this issue's DSN/Touche Ross Discounter Management Development Series. With borrowing costs up, getting the most from ready capital is more valued than ever. (P. 11)

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Vol. 19, No. 5 March 10, 1980

Study Finds It Takes Money to Cut Losses From Theft

NEW YORK—Those discounters troubled by high shrinkage rates most likely have only themselves to blame, a loss prevention study prepared for the National Mass Retailing Institute indicated.

The study, done by Arthur Young & Co., the accounting firm, concluded that chains that have decreased their theft losses make a bigger financial commitment to security than chains with significant shrinkage problems.

"Companies that have been successful in keeping shrinkage levels low have paid a price for it. The most direct measure of the expense of their investment is the size of their security budget expressed as a per cent of sales," the Arthur Young report stated.

In a survey of 51 discounters with a total of 5,600 stores, slightly more than half of the low-shrinkage companies (those in which the rate was less than 2% of sales) spend at least one-third of a per cent of sales for security. Only about a third of the high-shrinkage companies (with rates in excess of 3% of sales) spend a proportionate amount.

The greater investment by low-shrinkage discounters is applied to more formalized security programs and to a greater reliance on personnel to control losses rather than devices such as electronic tags and limited-access sales areas.

In addition, companies that have lessened theft losses are more likely to give a higher priority to security by having top security officers report to chain presidents rather than to lower-ranking executives. They also are more likely to incur related expenses, such as maintaining perpetual inventory systems.

However, simply assigning greater numbers of security guards and undercover detectives to stores was found to be an ineffective tactic in reducing shrinkage.

"In fact," the report stated, "bringing in more security employees per store does not relate to decreased shrinkage. Instead, it is associated with greater numbers of shoplifting apprehensions per store. Increasing the number of security employees, interestingly, leads to a decreased rate of shoplifting convictions. It is also, not unexpectedly, correlated to a larger number of false arrest suits. . . . Apparently, some stores with zealous apprehension policies are not successfully taking measures to insure that the apprehensions are effective."

The key, according to the report, to controlling shrink is greater care in selecting, training, and deploying security forces.

While background checks on applicants for security positions are done by a majority of all chains, the discounters with the best loss control performance do more of them and check more thoroughly. Of the successful chains, 93.8% make some kind of background check while only 71.4% of the high-shrink companies do.

In addition, 48.3% of the low-shrink companies also perform credit checks and administer polygraph tests to security applicants compared to 28.6% for the less successful discounters.

Low-shrink companies also are more likely to have structured training programs and give a higher priority to law enforcement backgrounds as a qualification for security employment. Training manuals, training stores and classroom instruction are more prevalent in larger companies while smaller chains tend to use on-the-job training or orient new employees.

Regardless of screening and training, perhaps the most important factor in successfully controlling losses is the emphasis a chain puts on its people, the report concluded.

Essentially, good security was found to be labor intensive. Chains which were less successful were found to rely more heavily on electronic and mechanical measures while successful chains rely on the watchfulness of their personnel.

Passive security measures, such as electronic tags, were used in only 6.3% of the low-

(Continued on page 88)

Shrink as a % of Sales

Shrink	No. of Chains
Less Than 1%	2
1% to 1.9%	14
2% to 2.9%	17
3% to 3.9%	8
4% or more	6
No Answer	4

Security Cost as a % of Sales

Security Cost	Chains With Shrink Rate Below 2%	Chains With Shrink Rate Above 3%
0.002%-0.099%	12.5%	28.6%
0.100%-0.333%	25.0	7.1
0.334%-0.449%	18.8	7.1
0.500%-0.999%	18.8	21.4
1% or more	12.5	7.1
No Answer	12.4	28.7

Shoplifting Suspect Prosecution

Prosecution Policy	Chains With Shrink Rates Below 2%	Chains With Shrink Rates Above 3%
All Customers	75.0%	42.9%
All Employees	56.3	42.9
With Security Witness	25.0	14.3
Only Large Losses	12.5	21.4

Screening Security Applicants

Screening Methods	Chains With Shrink Rates Below 2%	Chains With Shrink Rates Above 3%
Background Check	93.8%	71.4%
Credit Check	43.8	28.6
Polygraph	43.8	28.6

Source: Arthur Young & Co.

Toy Buyers Cautious as Costs Balloon

NEW YORK—More stringent buying terms from most manufacturers and higher prices forced inflation-wary buyers to play it close to the vest at the annual Toy Fair here.

Some merchandisers went to the show with a new (or expanded), separate open-to-buy for electronics.

"We had to have a separate open-to-buy last year," said one merchandise manager from Roses, "and this year's prices made it even more important. Without it, we couldn't do justice to all the other categories in toys."

Other buyers reported less scrambling for product at this year's show, as inflation forced buyers to maintain conservative inventory positions.

"We've taken some early shipments on some electronics, and seen them start to stack up in the stores," said Magic Mart buyer Gary Jackson.

As Jackson sees it, price points are going to be the critical factor in stocking patterns this year, as a flood of new low-end knockoffs battle stepup newcomers for consumer favor.

"This could be a year when a lot of people get burned on electronics," warned Jackson.

Bob Kuhns of Heck's thought it was a conservative show, with an encouraging trend by manufacturers to cut some fringe items and concentrate on basics.

"Many prices were astronomical," said Kuhns. "There definitely will be consumer resistance, and we'll be watching price points very closely.

"Heck's will stay with the staples as much as possible, and cut sku's across the board, especially in the promotional lines. Somewhere along the line, we have to start making some profit."

David Hayes, ALCO buyer, agreed that increases were out of sight.

"What am I going to do? I can't tell Fisher-Price to lower

(Continued on page 83)

NRMA Survey: Vendor Goofs Cost Retailers 2.2% of Apparel Sales

NEW YORK—Vendor inefficiencies are costing big retailers as much as 2.2% of apparel sales each year, according to a recent National Retail Merchants Association survey.

For retailers with sales of under $1 million, however, the survey reported, sales losses are running as high as 2.8% in the women's accessories, children's and men's wear, domestics and furniture categories.

Among the key inefficiencies described by the 35,000 chain, department and specialty store retailers polled, failure by vendors to deliver goods of an acceptable quality and on the due date were the two problems most often cited.

The survey found that retailers returned nearly 6% of all

(Continued on page 5)

AGMC Honors Harvin, Names Soelter Chmn.

NEW YORK—The Association of General Merchandise Chains, at its 47th annual meeting held in the Plaza Hotel here, honored Lu Harvin Jr., retired president and chief executive officer of Roses Stores, for his contribution to "variety and discount general merchandise retailing."

Chairmanship of the organization succeeded from Jack Kuhn, chairman of the board of Kuhn's Big K, to Robert R. Soelter, president of Duckwall-ALCO.

"I'm walking in tall cotton," exclaimed Harvin as he accepted the recognition of the AGMC membership.

"I don't know what odds

(Continued on page 80)

Bob Soelter of Duckwall-ALCO (r.) and Lu Harvin confer prior to the AGMC annual banquet, which honored Harvin. Soelter is the new AGMC chairman. (DSN photo)

electronic
electronic
electronic
GAMES
BIKES

Sales gains in electronic games (shown here at the Middletown, N.Y., Caldor) have helped create a shortage of microprocessor chips and forced suppliers to allocations. (DSN photo)

NMRI Convention Speakers Set

NEW YORK—The National Mass Retailing Institute convention, set for May 10-14 at the Fairmont Hotel in New Orleans, will feature such diverse speakers as baseball Hall-of-Famer Willie Mays; CBS newsmen Morley Safer and Andy Rooney; Howard Jarvis of Proposition 13 fame, and New Orleans native (and premiere musician) Pete Fountain.

Jack Shewmaker, president of Wal-Mart, and Marshall Hess, president of Fisher's Big Wheel, will participate in the president's roundtable discussion on Tuesday. Dave Banker, president of Lechmere Sales and chairman, NMRI, will moderate the panel, which will include, for the first time, speakers representing two associate member firms.

Another change in this year's program will eliminate the Tuesday luncheon speaker in favor of a buffet lunch served in the exhibit hall.

Saturday night's opening banquet will feature Andy Rooney, commentator on CBS's "60 Minutes" news program.

Sunday, May 11, will start with 2-mile and 10,000-meter races co-sponsored by *Discount Stores News,* Barkers and Pepsi-Cola.

Continuing the sports theme, Willie Mays will address Sunday's sports luncheon after Morley Safer and Howard Jarvis speak to the general session.

Monday's general session will offer a presentation by Howard Davidowitz, of Ernst and Whinney, on retail trends in the 1980's. Monday's luncheon will have as its speaker a member of Congress.

Tuesday, after the president's roundtable discussion and the concurrent sessions, Pete Fountain will speak at the banquet.

How Will K mart Use Direct-Buy Advantages?

(Continued from page 87)

when they purchased from distributors," he said.

One discounter said K mart needs profitable goods like any other chain. "They will sharp-price Corning at key times such as Mother's Day and Christmas to get traffic and for image; at other times they will try to get as much profit from the lines as they can. The consumer image of the sharp pricing could carry through for the longer periods when they go for profit."

Pricing of Corning goods has settled down with very little footballing, discounters agreed. K mart didn't upset the market when it started to merchandise the lines two years ago.

But K mart's direct purchase could upset availability of merchandise, one discounter asserted.

"K mart could take as much as 20% of Corning's production for the lines it sells," he said. "How much goods will K mart need for a promotion that it advertises nationwide—and how much merchandise will be left for other retailers?

"I can see K mart putting pressure on Corning to get goods so that less merchandise is available for distributors, particularly those top-selling items that are already in tight supply," he said.

K mart's impact, due to its need for merchandise, and its possible sharp pricing, could result in fewer chains carrying a full assortment of Corning products.

Those chains would go with a few promoted sets and such key items as Expressions and Corelle at sharp prices to draw traffic.

This would mean that those chains would be just trading dollars, a situation that in the past has resulted in a number of discounters cutting back the Corning assortment to just selective items.

A K mart spokesman said direct buying of Corning items wouldn't result in any major change from its past merchandising.

NMRI Launches Mail Campaign To Oppose Lubbers For N.L.R.B.

NEW YORK—The National Mass Retailing Institute has initiated a letter-writing campaign in opposition to the nomination of Wiliam A. Lubbers as general counsel to the National Labor Relations Board.

Lubbers is characterized as an opponent of the NMRI stand on pending labor law reforms by Manfred Brecker, government affairs chairman of the institute, in a letter sent recently to members. The letter asks members to write their Senators urging that Lubbers not be confirmed.

Information can be obtained from Kevin Shein, director of government affairs of the NMRI, at the institute's headquarters here.

Luria Has Record Half-Year Results

MIAMI LAKES, Fla.—The opening of six showrooms outside of the Greater Miami area helped cataloger L. Luria & Sons record half-year sales and income gains of more than 20%.

Sales for the six months ended Dec. 31, 1979, jumped 36.2% to $42,878,189 from $31,485,342. Income in the period went up 21.7% from $1,655,451 to $2,014,021.

The half-year gains were sparked by a big jump in volume in the quarter ended Dec. 31, 1979. Sales in that period—which included key Christmas holiday volume—were up 42.4% to $31,812,917 from $22,347,071. Income increased 21.5% to $1,805,156 from $1,485,952.

The key holiday quarter in 1979 accounted for 74.2% of Luria's six-month volume while the period in 1978 posted 71% of the half-year sales.

Study Finds It Takes Money to Cut Theft Losses

(Continued from page 3)

shrink companies while they are found in 35.7% of the high-shrink companies surveyed.

By way of contrast, an active measure such as selling-floor observation booths is used by 75% of the successful discounters and only 35.7% of the high-shrink chains.

Low-shrink chains also rated active security measures as more effective, while their less successful competitors perceive passive measures as more effective.

That the successful companies give a higher priority to controlling shrink is indicated by two findings: Those firms are much more likely to prosecute thieves, and top security executives are more likely to have direct access to the company president.

The policy of 75% of the discounters with shrink rates below 2% of sales is to prosecute all customers caught shoplifting. Only 42.9% of companies with rates above 3% have a similar policy, indicting less willingness to commit time and expense.

Different Procedures

At nearly half of the low-shrink chains, security chiefs report directly to chain presidents, while only 14.3% of security executives at high-shrink chains have similar access.

Other indications that the successful discounters give a higher priority to loss prevention are that they are more willing to spend a portion of their resources on perpetual inventory systems and to reward employees who apprehend thieves. Bonuses to vigilant employees are paid by 62.5% of the low-shrink discounters surveyed, but are paid by only 35.7% of high-shrink chains. Similarly, perpetual inventories are maintained by 81.3% of the low-shrink chains against 64.3% of the less successful discounters.

While the report examined techniques of successful loss prevention, it did not analyze their cost-effectiveness. The unanswered question is whether the extra expense low-shrink chains incur is balanced by their theft savings. That is to be the focus of a follow-up study this year.

Loss Prevention Bonus Programs

Bonus Program	Chains With Shrink Rates Below 2%	Chains With Shrink Rates Above 3%
Yes	62.5%	35.7%
No	37.5	64.3

Store Security Measures

Security Measures	Chains With Shrink Rates Below 2%	Chains With Shrink Rates Above 3%
Mirrors	87.5%	71.4%
Electronic Tags	6.3	35.7
TV Monitors	50.0	35.7
Limited Access	50.0	71.4
Observation Booths	75.0	35.7

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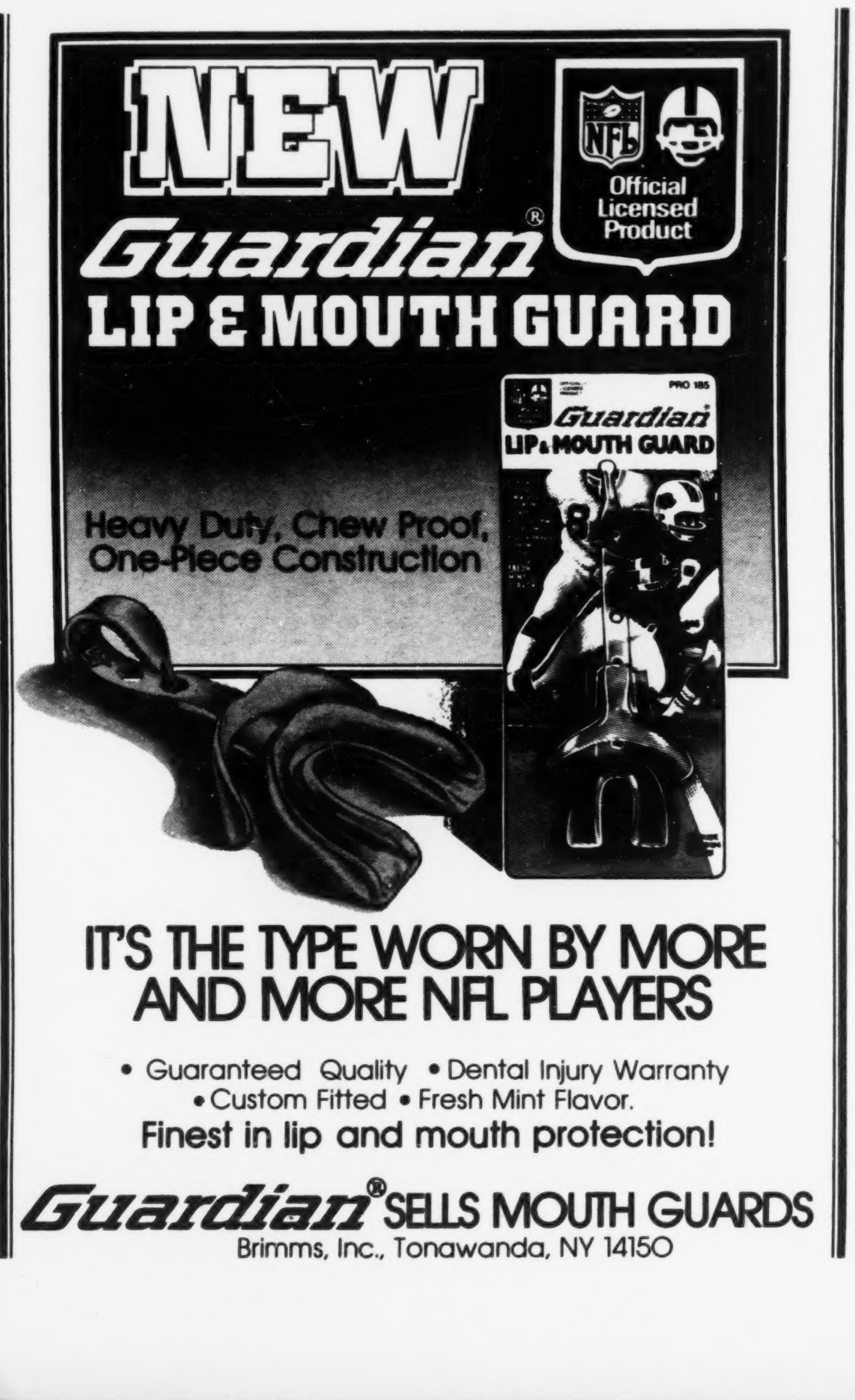
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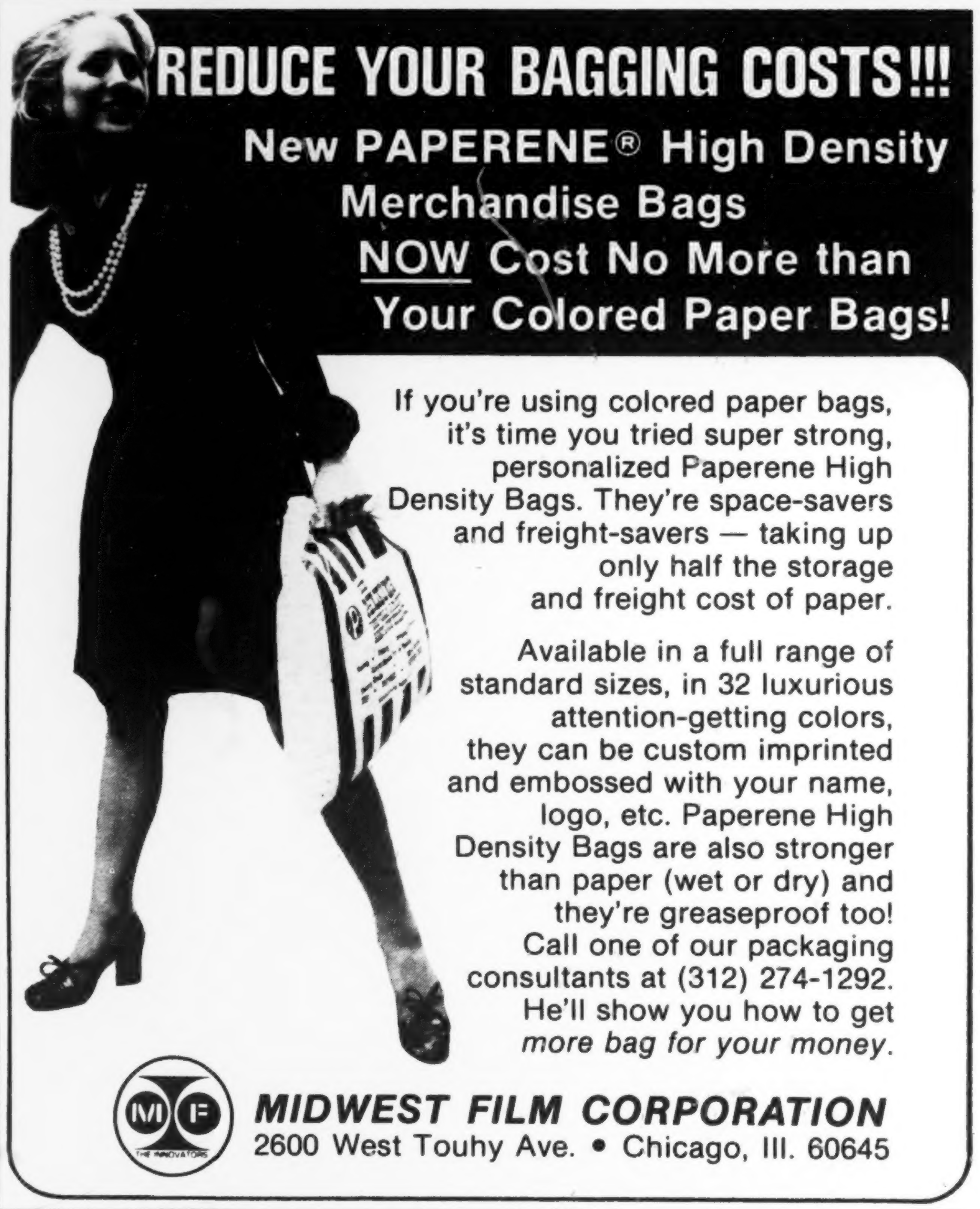
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HOUSEWARES

Figures supplied by HalMar Distributors, Holyoke, Mass., cover 500 stores, including 400 full-line discount department stores from New England to the Carolinas. Average retail prices listed by the distributor reflect typical price points for discount clients.

TABLETOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	5	Expressions 20-pc set, Meadow	1,797	69.74	125,322.78
2	4	Expressions 20-pc set, Indn Smmr	1,511	70.19	106,057,09
3	1	Corelle 20-pc set, gold	2,686	38.69	103,921.34
4	3	Corelle 20-pc set, green	2,214	38.69	85,659.66
5	2	Corelle 20-pc set, Woodland	1,658	38.69	64,148.02
6	9	Expressions 20-pc set, Batik	795	67.74	55,443.30
7	7	Corelle 20-pc set, blue	1,070	38.69	41,398.30
8	6	Expressions 20-pc set, Wildflower	492	69.74	34,312.08
9	10	Expressions 20-pc set, Blue Heather	471	69.74	32,847.54
10	8	Corelle 20-pc set, white	814	36.89	31,493.66
11	12	Corelle 5-pc completer set, gold	795	21.05	16,734.75
12	17	Corelle 5-pc completer set, green	725	21.05	15,261.25
13	—	Corelle 5-pc completer set, blue	602	21.05	12,672.10
14	13	Corelle small platter, green	1,359	7.82	10,627.38
15	—	Corelle 5-pc completer set, Woodland	434	21.05	9,135.70

GLASSWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	11	Anchor Hocking 24-pc st, Nwpt Crystl	712	12.15	8,650.80
2	2	Libbey 12½-oz bev, Wheat spray, 8-pc	714	7.91	5,647.74
3	10	Anchor Hocking 7-pc tbl srvc st, prsct	666	8.45	5,627.70
4	—	Libbey 12-oz bev, Gold Savoy, 8-pk	768	6.74	5,176.32
5	4	Anchor Hckng 11-pc tbl srvc st, prsct	472	10.61	5,007.92
6	1	Libbey 6½-oz round wine, Mr Pro	894	4.76	4,255.44
7	3	Libbey 8½-oz wine, Mr Pro	894	4.76	4,255.44
8	8	Libbey 16-oz coolr, Twny Accnt, 4-pk	1,254	3.32	4,163.28
9	—	Libbey 8-oz wine, Citation	3,276	1.25	4,095.00
10	19	Libbey 6½-oz tall wine, Citation, 4-pk	3,060	1.25	3,825.00
11	—	Libbey 12-oz bev, Gold Bolero	7,452	0.49	3,651.48
12	18	Libbey 12-oz bev, Tawny Accent, 4-pc	1,198	2.96	3,546.08
13	6	Anchor Hocking 4" ashtray, gold	4,932	0.71	3,501.72
14	5	Libbey 12-oz bev, Summer, 8-pc	504	6.83	3,442.32
15	—	Libbey 6-oz red wine, Citation	2,736	1.25	3,420.00

COOKWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Ekco 17¼" ckie sht, Baker's Secret	2,994	3.05	9,131.70
2	11	Ekco 15¼" ckie sht, Baker's Secret	2,398	2.78	6,666.44
3	7	Ekco 14½" rst pn, Baker's Secret	1,796	3.59	6,447.64
4	12	Ekco 12-cup mffn pn, Baker's Secret	1,839	3.32	6,105.48
5	16	Ekco 13¼" ckie sht, Baker's Secret	2,701	2.15	5,807.15
6	14	Ekco 17¼" cookie sheet	2,613	2.06	5,382.78
7	18	Ekco 9¼" loaf pan, Baker's Secret	2,096	2.42	5,072.32
8	1	Wear-Ever Prm 12" fry pn, SilverStone	304	13.95	4,240.80
9	4	Wear-Ever 10" Prm fry pn, SilverStone	336	10.79	3,625.44
10	3	Wear-Ever Prm 9-pc set, SilverStone	50	69.29	3,464.50
11	—	Ekco 8½" loaf pan, Baker's Secret	1,629	1.97	3,209.13
12	—	Ekco pizza pan, Baker's Secret	1,090	2.78	3,030.20
13	—	Ekco 8" rnd cake pn, Baker's Secret	1,655	1.79	2,962.45
14	15	Mirro 9-cup percolator	470	6.29	2,956.30
15	—	Ekco 13" oblong pan	1,578	1.79	2,824.62

GADGETS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Swing-A-Way prtbl hand can opener	2,092	3.59	7,510.28
2	8	Ekco 2⅛" barrel rolling pin	1,942	3.32	6,447.44
3	2	Rhodes timer, white	812	5.66	4,595.92
4	3	Ekco can opener w/bottle opener	4,720	0.82	3,870.40
5	—	Taylor hang/stand oven thermometer	1,459	2.42	3,530.78
6	4	Ekco 3-way can opener	2,791	1.25	3,488.75
7	7	Rhodes timer, gold	601	5.66	3,401.66
8	10	Gemco food chopper	1,411	2.24	3,160.64
9	—	Swing-A-Way budget can opener	850	3.59	3,051.50
10	9	Ekco peeler	4,899	0.62	3,037.38
11	—	Bonny pizza cutter	1,413	2.06	2,910.78
12	5	Ekco can opener, plastic handle	1,420	1.88	2,669.60
13	—	Taylor Valuline meat thermometer	606	4.04	2,448.24
14	—	Chaney candy thermometer	1,365	1.79	2,443.35
15	—	Taylor Hi-Lite window thermometer	1,363	1.79	2,439.77

(Continued on page 18B)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Specialty Housewares Get Play

By Harold Rubin
President,
HalMar Distributors

Specialty housewares such as pizza pans and pizza cutters are among the areas being exploited for sales and profits by discounters and other retailers faced with the challenge of maintaining consumer interest in nonelectric housewares during the first quarter of the year, traditionally a time of slow retail action.

The two pizza-related items were among the dozen-and-a-half products that made their first-time appearance on the HalMar Product Movement Audit. The report covered the Jan. 1 through Feb. 11 period.

Another 45 items showed big jumps in total product movement, with such housewares as thermometers and completer sets for Corelle dinnerware also illustrating the effort to focus on previously underplayed products as new volume and profit producers.

Merchandising Move

Discounters, besides trying to develop specialty items, are also continuing to go after seasonal goods, with bakeware the key category for the first quarter. Nineteen different metal and glass bakeware items made the PMA, with 12 also appearing as high risers and four making their first appearance on the report.

A look at the specialty housewares picture shows the following.

An Ekco pizza pan checked out as No. 12 on the cookware listing while a Bonny pizza cutter was No. 11 in gadgets; both items showed up for the first time on the PMA.

The pizza pan was among a host of bakeware products that captured 11 of the 15 places on the cookware listing. This strong showing for bakeware reflected (a) the need of retailers to replenish supplies following the holiday sales period when baking goods were a strong seller due to consumer interest in preparation of holiday food, and (b) the need to be in-stock for the upcoming Easter holiday when baking will again be a favorite cooking activity.

Two specialty items scored in plastics as they debuted on the PMA. Food storage containers are a mainstay of the category, and the push into specialty items resulted in an Eagle Superseal lettuce saver capturing the No. 8 position.

A Castel Industries Sporkit spoon/fork combination showed up as No. 14. This item is a

(Continued on page 18B)

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HOUSEWARES

(Continued from page 13)

PLASTICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Eagle 44-oz oblong SuperSeal	2,002	1.43	2,862.86
2	2	Republic 1-qt uprite Freezette	1,080	2.51	2,710.80
3	3	Republic 1-pt uprite Freezette	1,019	2.51	2,557.69
4	4	Lustro-Ware 11-qt heav dst pl, alm	936	2.42	2,265.12
5	11	Republic 1½-pt uprite Freezette	748	2.51	1,877.48
6	—	Tucker 8-pc bowl set	432	3.77	1,628.64
7	12	Eagle 80-oz SuperSeal	892	1.79	1,596.68
8	—	Eagle SuperSeal lettuce saver	880	1.79	1,575.20
9	14	Wall nylon baster	1,136	1.25	1,420.00
10	16	Texas-Ware 3-qt mixing bowl	628	2.24	1,406.72
11	—	Eagle Mickey Mouse bowl/tmblr st	1,304	1.07	1,395.28
12	6	Family Prod 2-qt bottle	1,023	1.34	1,370.82
13	—	Alabaster 16-oz flute tumbler	2,177	0.62	1,349.74
14	—	Castel Sporkit spoon/fork server	1,503	0.89	1,337.67
15	8	Family Prod 1-qt bottle	1,190	1.07	1,273.30

CLEANING/CHEMICALS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	3M 16-oz Scotch Guard	884	4.67	4,128.28
2	2	White Labs 16-oz X-14 mildew remover	1,185	2.87	3,400.95
3	3	Johnson 14-oz Pledge, lemon	1,164	2.60	3,026.40
4	—	Deka dust pan	3,042	0.89	2,707.38
5	6	Johnson 27-oz Future	768	3.41	2,618.88
6	—	Carbona 24-oz vacuum rug cleaner	1,013	2.42	2,451.46
7	4	Drackett 26-oz Drano	794	2.87	2,278.78
8	5	Glamorene 24-oz Spray 'N Vac	630	3.41	2,148.30
9	7	Liquid gold 14-oz aerosol	648	3.23	2,093.04
10	9	Magic 13-oz Panel Magic	835	2.42	2,020.70
11	—	Johnson 7-oz Glad aerosol wax powder	1,800	1.07	1,926.00
12	—	Hagerty 8-oz copper polish	1,044	1.80	1,879.20
13	12	Johnson 14-oz Pledge	720	2.60	1,872.00
14	—	Johnson 7-oz Glad aerosol wax spray	1,680	1.07	1,797.60
15	20	Glamorene 14-oz upholstry spray	508	3.41	1,732.28

BATH SHOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Selfix portable shower spray	355	8.55	3,035.25
2	3	Ekco 18" towel bar	1,311	1.97	2,582.67
3	4	Ekco toilet tissue holder	1,290	1.97	2,541.30
4	5	Selfix twin hooks	2,097	1.07	2,243.79
5	6	Ekco 12" towel bar	1,152	1.79	2,062.08
6	7	Selfix toilet tissue holder	1,477	1.34	1,979.18
7	14	Selfix hooks, 4-pk	1,476	1.25	1,845.00
8	12	Selfix two hooks	2,267	0.80	1,813.60
9	11	Ekco 24" twin towel bar	565	3.14	1,774.10
10	8	Ekco toilet tissue holder	1,042	1.70	1,771.40
11	10	Selfix 24" towel bar	892	1.97	1,757.24
12	2	Selfix shampoo spray	918	1.88	1,725.84
13	17	Ekco 18" twin towel bar	555	2.78	1,542.90
14	9	Ekco 24" towel bar	590	2.33	1,374.70
15	—	American Tack soap dish	150	8.81	1,321.50

RUBBERMAID

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Self-closing wastebasket, choc	672	6.25	4,200.00
2	4	10¾" high rec Laundry basket, gold	916	4.49	4,112.84
3	10	Deluxe dish drainer, choc	831	4.94	4,105.14
4	3	10¾" high rect Laundry basket, choc	910	4.49	4,085.90
5	9	Deluxe dish drainer, gold	792	4.94	3,912.48
6	—	Bath mat, gold	1,560	2.42	3,775.20
7	6	10¾" hgh rct Lndry bskt, almond	832	4.49	3,735.68
8	—	Bath mat, chocolate	1,525	2.42	3,690.50
9	8	5¼" deep Dishpan, gold	1,590	2.24	3,561.60
10	19	Twin sink dish drain, choc	859	4.04	3,470.36
11	16	Bath mat, white	1,390	2.42	3,363.80
12	7	15¾" Drainer tray, gold	923	3.59	3,313.57
13	11	Deluxe dish drainer, almond	669	4.94	3,304.86
14	14	Covered wastebasket, chocolate	522	6.25	3,262.50
15	12	Self-closing wastebasket, almond	504	6.25	3,150.00

(Continued on page 19)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Specialty Items

(Continued from page 13)

prime example of a specialty housewares; it's a combined fork and spoon used for such functions as holding spaghetti or hard-boiled eggs.

A number of single-function products made the cleaning and chemicals chart. They included Hagerty's copper polish, which showed up for the first time, as No. 12; plus the top two items, 3M's Scotch Guard as No. 1 and White Lab's X-14 mildew remover as No. 2.

Corelle and Expression sets account for almost all the action in the tabletop area. As the basic sets have saturated the market, accessories have become more important as consumers start to fill out their sets.

A vital accessory is the completer set; four such Corelle sets made the report, with the offerings in blue and the Wildflower pattern (Nos. 13 and 15) also high risers.

Four different thermometers showed up on the gadget report: three Taylor offerings—a hang/stand oven thermometer, No. 5; a Valuline meat thermometer, No. 13, and a Hi-Lite window thermometer, No. 15—and one Chaney product, a candy thermometer, No. 14.

Only a few new items made

(Continued on page 19)

Up-'n'-Comers, New Stars

The following "High Risers" chart lists items (and their rank) that have moved up five or more places from the previously published HalMar PMA. In addition, under the heading "New Items" are products (and their rank) that are appearing for the first time on the report.

Category/Item	Rank
HIGH RISERS	
TABLETOP	
Corelle 5-pc cmplt st, bl	13
Corelle 5-pc cmplt st, Wldflwr	15
GLASSWARE	
Anchor 24-pc st, Nwprt Cryst	1
Anchor 7-pc tbl srv st, prsct	3
Libbey 12-oz bv, Gd Sy, 8-pk	4
Libbey 8-oz wine, Citation	9
Libbey 6½-oz tall wine, Cttion	10
Libbey 12-oz bv, Gld Bolero	11
Libbey 12-oz bv, Twn Ac, 4-pk	12
Libbey 6-oz red wine, Cttion	15
COOKWARE	
Ekco 15¼" ck sht, Bkr's Scrt	2
Ekco 12-cup mf pn, Bkr's Scrt	4
Ekco 13¼" ck sht, Bkr's Scrt	5
Ekco 17¼" ck sht	6
Ekco 9¼" lf pn, Bkr's Scrt	7
Ekco 8½" lf pn, Bkr's Scrt	11
Ekco 13" oblng pn	15
GADGETS	
Ekco 2⅛" brrl rolling pin	2
Taylor hng/stnd ovn thrm	5
Swing-A-Way bdgt cn opnr	9
Chaney cndy thermometer	14
Taylor Hi-Lite wndw thrm	15
PLASTICS	
Eagle 44-oz SuperSeal	1
Republic 1½-pt uprt Frztt	5

(Continued on page 19)

Regal gives you the security opportunity of the 80's

Regal
Test
Off
On

Regal Startler Portable Burglar Alarm

Regal All-Purpose Alarm

Regal 3-in-1 Security Light

The right price range

Make no mistake about it. The fastest growing segment of the security business is the under $25 retail range. And that's where Regal's got it!

The right product mix

1. The hang-it-anywhere Regal Startler Portable Burglar Alarm at $19.95 retail.
2. The versatile Regal All-Purpose Alarm for any window or door at $15.95 retail.
3. The Regal 3-in-1 Security Light that's a power failure light, a nightlight and a flashlight all in one . . . at $9.95 retail.

The right promotion blend

Spot television with retailer tags, Regal factory demonstrators, retail salesperson incentives, sales-creating packaging and display.

Call The Regal Home Security Division at 414-626-2121

for details on the security products profit opportunity of the 80's . . . and find out how you can participate in the big Spring TV program.

We're putting the American family under Regal protection

Regal

Regal Ware, Inc.
Kewaskum, WI 53040

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Specialty Items

(Continued from page 18B)

the PMA, reflective of the sparse number of new housewares introduced by manufacturers. These products were primarily from Corning Glass and included the Cass-erette set, No. 5, in the Corning Ware listing, and a 4-pc. mixing bowl with the new Autumn Harvest pattern in Pyrex.

The Pyrex listing also had five items that included basket carriers or were in the Fireside shade. They are stepups from Pyrex's basic clear glass offering and denote the continued interest among discounters and other retailers in trading up customers to higher-ticket basic housewares, using fashion or improved function to justify the higher price points.

Fashion is a major selling point for Corning Ware, with the big question the impact of Wildflower. In this report, Wildflower showed up on five items, compared to four for Spice and only three for Cornflower.

The Wildflower design also captured one place in the tabletop classification, showing up on an Expressions 20-pc. set as No. 8. The pattern beat out Blue Heather, which was No. 9; Batik, the new Expressions design introduced last year, was No. 6.

Up-'n'-Comers

(Continued from page 18B)

Wall nylon baster	9
Texas-Ware 3-qt mxng bwl	10
CLEANING & CHEMICALS	
Johnson 7-oz Gld aer wx pdr	11
Johnson 7-oz Gld aer wx spy	14
Glamorene 14-oz upsty spry	15
BATH SHOP	
Selfix hooks, 4-pk	7
RUBBERMAID	
Deluxe dsh drnr, choc	3
Twin sink dsh drn, choc	10
Bath mat, white	11
CORNING WARE	
Kitchen Starter st, Spice	3
Kitchen Starter st, Wldflwr	4
Kitchen Starter st, Crnflwr	6
Freezer, ovn, tbl st, Spc	10
Freezer, ovn, tbl st, Wldflwr	11
PYREX	
4-pc Mixing bwl st, grn	2
1-pt Liquid measure	4
3-qt Bake dsh w/bskt, Frsd	5
1½-qt Casserol w/bskt, Frsd	10
2-qt Oblong bk dsh	13
9" Pie plate	14
8" Square ck dsh	15
NEW ITEMS	
COOKWARE	
Ekco pizza pn, Bkr's Scrt	12
Ekco 8" rnd ck pn, Bkr's Scrt	13
GADGETS	
Bonny pizza cutter	11
Taylor Valueline meat thrm	13
PLASTICS	
Tucker 8-pc bwl st	6
Eagle SuperSeal lttc svr	8
Eagle Micky Mouse bl/tblr st	11
Alabaster 16-oz flute tmblr	13
Castel Sporkit spn/frk srvr	14

HOUSEWARES

(Continued from page 18B)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
CORNING WARE					
1	1	Menu-ette set, Cornflower	5,379	17.63	94,831.77
2	3	Sidekick	3,915	6.47	25,330.0[illegible]
3	11	Kitchen Starter set, Spice	542	38.02	20,606.84
4	17	Kitchen Starter set, Wildflower	518	38.02	19,694.36
5	—	Cass-erette	3,177	5.93	18,839.61
6	—	Kitchen Starter set, Cornflower	520	33.47	17,404.40
7	10	Grab-It set	1,640	9.17	15,038.80
8	4	Menu-ette set, Spice	639	23.21	14,831.19
9	6	Menu-ette set, Wildflower	588	23.21	13,647.48
10	—	Freezer, oven & table set, Spice	439	29.69	13,033.91
11	—	Freezer, oven & table set, Wildflower	436	29.69	12,944.84
12	8	6-cup Teapot, Cornflower	996	12.95	12,898.20
13	2	6-cup Teapot, Spice	832	14.66	12,197.12
14	5	6-cup Teapot, Wildflower	832	14.66	12,197.12
15	15	Large open roaster, Wildflower	624	18.35	11,450.40
PYREX					
1	3	Bake 'N Serve set, Fireside	4,554	11.15	50,777.10
2	12	4-pc Mixing bowl set, green	2,306	12.59	29,032.54
3	7	3-qt Oblong bake dish	4,548	4.67	21,239.16
4	16	1-pt Liquid measure	7,627	2.33	17,770.91
5	10	3-qt Bake dish w/basket, Fireside	1,828	8.36	15,282.08
6	—	4-pc Mixing bowl set, Autumn Harvest	1,208	12.59	15,208.72
7	—	1-qt Casserole, white	8,460	1.79	15,143.40
8	—	9" Pie plate, white	8,424	1.79	15,078.96
9	9	1-cup Liquid measure	7,950	1.79	14,230.50
10	—	1½-qt Casserole w/basket, Fireside	1,874	7.46	13,980.04
11	1	3-qt Bake dish w/basket	1,030	13.04	13,431.20
12	4	2-qt Casserole w/basket	933	13.04	12,166.32

Source: HalMar Distributors

AS ADVERTISED
Sale price will automatically ring up at the register.
3.99
reg. 5.99
KITCHEN TOOLS IN HOLDER

Several items from the housewares department are tied together in this Burlington, Mass., Bradlees endcap. Tags are often used to tell customers price and location of items. (DSN photo)

Presto hands you the premium line.

...with the premium SilverStone finish.

DU PONT
APPROVED
SilverStone
PREMIUM
NON-STICK SURFACE

How can you top this great fry pan and griddle line? With Du Pont SilverStone® premium nonstick surface inside and out. Presto® FullFry™ skillet, a full size 12 inch wonder, with the FLIP 'N SERVE tempered glass cover that doubles as a serving dish. The big, 15 inch Presto® jumbo fry pan cooks a complete dinner for eight and the high dome cover accommodates even large roasts. Now Presto hands you a full size 17 inch griddle, too. All start with an aluminum casting that's virtually warp proof...all are finished with SilverStone® premium nonstick surface.

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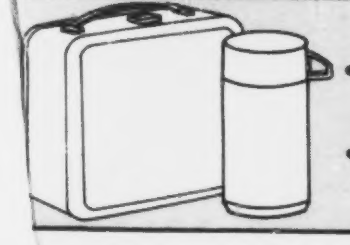
OUR 75TH YEAR PRESTO®

...innovation to make it first—quality that makes it last and last™



BACK-TO-SCHOOL BUYING PREVIEW

Discount Store News

PMA®

RODUCT MOVEMENT AUDIT

ome Office abeled Top rowth Area

y M. Raymond Prendergast
President,
Boston Distributors

The emergence of home office oducts as the growth cate- ry of the future is reflected in

e station- y Product ovement udit for 79. Home fice is the ngle most nportant ictor to be onsidered y the mass merchant in rela- ion to the stationery depart- ent.

Population shifts to the post- chool-age groups will result in ontinued market share growth or this category throughout he 1980's. We enjoyed a 40% ncrease in sales in home office roducts during 1979 with high- icket cabinets and security hests leading the way.

While 50% of our sales occur uring the peak tax-time sell- season, we have found that e items respond well to pro- tion during other times of e year as well. To meet the eeds of the future, the mass erchant should offer a broad ssortment of file boxes, porta les, security chests and file abinets.

Business forms, ledger ooks, office binders, tele- hone-address books, columnar ads, expanding files, en- elopes, high-count labels and paper clips have also illustrated their importance in the home office category and should be well represented.

Money Maker

The top item of the category in 1979 remained high-count typing paper. (We expect the security chest and the two-drawer file cabinet to edge out typing paper in dollar volume in 1980.)

The 80-count steno book was our second-best item, and file folders in a 12-count package ranked third. Legal pads, Corrasable typing paper and tablets, index cards and expanding files rounded out our top 10 for 1979 in home office products.

Movement growth in school supplies, while not approaching the degree of home office, was a healthy 25% over 1978. If one item stands out from the rest, it has to be Papermate's Erasemate Pen which surpassed 10-pack pens and 10-pack pencils to become our best product in this category. Papermate, which also experienced substantial growth with its 10-pack stick pen, has marketed a single-pack pen to compete with

(Continued on page 36)

STATIONERY

Figures supplied by Boston Distributors, a division of Cook United, Maple Heights, Ohio, cover 320 stores, including 290 discount department stores, in 18 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	SCHOOL PAPER & NOTEBOOKS			
1	Mead Filler Paper 200ct Wide Margin	425,232	0.99	420,979
2	Mead Filler Paper 200ct Narrow Margin	189,579	0.99	187,683
3	Mead Theme Book 70ct	204,624	0.79	161,652
4	Mead Theme Book 3 sub 120ct	52,704	1.29	67,988
5	Mead Theme Book 5 Sub 200ct	15,960	2.29	36,548
6	Mead Theme Book 5 Sub 200ct Wide Margin	14,496	2.39	34,645
7	Mead Organizer Binder	7,848	4.19	32,883
8	Mead Data Center Binder	7,308	4.19	30,620
9	Mead Trapper Keeper Binder	6,564	4.19	27,503
10	Stuart Hall Theme Book 100ct Wide Margin	25,380	0.99	25,126
11	Mead Construction Paper Asst 48ct	23,112	0.89	20,569
12	Mead Portfolios 2 Pocket 5 pk	15,360	1.29	19,814
13	Stuart Hall Kiss Theme Book 50ct	20,424	0.89	18,177
14	Mead The System Binder	5,628	3.09	17,330
15	Mead Canvas Binder 2"	3,780	4.19	15,838
16	Mead Fashion Portfolio	46,272	0.33	15,269
17	Duo Tang Report Cover	60,900	0.25	15,225
18	Union Camp Theme Book 100ct College Rule	17,136	0.79	13,537
19	Plymouth Peanuts Padfolio	3,348	3.79	12,688
20	Mead Filler Paper College Rule 100ct	14,112	0.79	11,148

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	STATIONERY			
1	Mead Envelope 6½" 100ct	107,976	0.69	74,503
2	Mead Envelope Legal 50ct	89,784	0.69	61,950
3	Mead Security 6½" 80ct	16,896	0.79	13,347
4	Mead Tablet Ruled 100ct	17,964	0.69	12,395
5	Mead Security Legal 40ct	13,560	0.79	10,712
6	Mead Tablet Plain 100ct	11,760	0.69	8,114
7	Mead Envelope Press & Seal 40ct	8,424	0.79	6,654
8	Mead Boxed Stationery 90 sheet	3,384	1.69	5,718
9	Mead Tablet Ruled 60ct	7,236	0.53	3,835
10	Montag Thank You Notes	3,936	0.89	3,503
11	Mead Fashion Tablet-Moods in Blue	5,532	0.63	3,485
12	Mead Envelope Return Address 28ct	6,360	0.53	3,370
13	Mead Fashion Tablet Favorite Things	3,984	0.79	3,147
14	Montag Stationery Tea Roses	2,208	1.39	3,069
15	Mead Fashion Tablet Pallette	2,844	0.99	2,815
16	Mead Tablet Plain 60ct	5,256	0.53	2,785
17	Mead Fashion Tablet Visions	2,791	0.99	2,768
18	Stuart Hall Thank You Notes Asst	3,000	0.89	2,670
19	Montag Stationery Only A Rose	1,300	1.79	2,327
20	Montag Stationery—Mountains of Letters	1,656	1.39	2,310
	TAPES & ADHESIVES			
1	Scotch Utility Tape RK 2½ x 800"	57,624	0.49	28,235
2	Scotch Magic Tape #104 ½ x 450"	46,565	0.59	27,473
3	Krazy Glue	15,030	1.39	20,891
4	Scotch Magic Tape #105 ¾ x 350"	35,256	0.59	20,801
5	Elmers School Glue 4 oz	22,920	0.79	18,106
6	Scotch Tape #174 ½ x 1100"	16,944	0.89	15,080

(Continued on page 36)

WIN AN M.V.P. AWARD!

Enter Disney's M.V.P. (Most Valuable Promotion) contest for fourth quarter 1980—and win the recognition you deserve for your MOUSE POWER PLUS promotion.

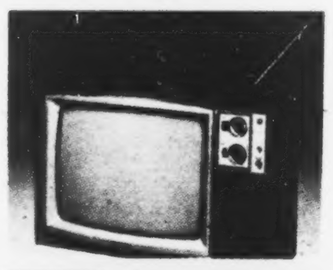
FOR CORPORATE HEADQUARTERS BUYERS: 8 GRAND PRIZES

An all-expense-paid trip for 2 adults and 2 children to Walt Disney World for 3 days and 2 nights.

ONE PRIZE WINNER FOR EACH TYPE OF STORE INCLUDING:

- Department/Catalog —Retail
- General Merchandise, Jr. Department and Variety Chains
- Discount
- Free-Standing Toy
- Drug Chains
- Catalog/Showroom
- Automotive/Hardware
- Independent/Specialty

FOR STORE MANAGERS OR DEPARTMENT MANAGERS: 24 PRIZES.



8 FIRST PRIZES:
15" color TVs.

8 SECOND PRIZES:
Mickey Mouse telephones.

8 THIRD PRIZES:
Mickey Mouse wall clocks.

THREE WINNERS IN EACH OF THE EIGHT RETAIL CATEGORIES!

PLUS a certificate of participation to all corporate headquarters and individual stores that submit entries.

EVERYONE WINS!

Disney's 4th quarter MOUSE POWER PLUS promotion puts profit in your pocket...Basic, staple merchandise. High mark-up and low mark-down. Nationwide recognition. Proven sales velocity and profit.

MOUSE POWER PLUS PROFIT PROGRAM

FREE* Exciting Magic Kingdom Christmas display posters for windows or counters. This 24" × 36" full-color poster is printed on both sides. PLUS

FREE* Magic Kingdom Activity and Coloring Book as a traffic building customer attraction. Big 10" × 10". Eight pages of activities and coloring fun with all the favorite Disney characters at the Magic Kingdom.

BE A SUPERSTAR!

Enter Disney's M.V.P. contest. Win a prize and put profit in your pocket! Send for details today. (See coupon below.)

Walt Disney Productions,
Character Merchandising Division
477 Madison Avenue, New York, NY 10022
Tel: (212) 593-8900

PLEASE send more information on rules and details for Disney's M.V.P. contest.

Name____________________
Store Name__________ Title__________
Address____________________
City____________________
State__________ Zip__________

*Quantities are free with Disney character merchandise commitment.

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BACK-TO-SCHOOL BUYING PREVIEW

STATIONERY

(Continued from page 33)

TAPES & ADHESIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
7	Elmers Glue 4 oz	14,376	0.79	11,357
8	Scotch Tape #119 ½ x 800"	12,264	0.89	10,914
9	Sno Drift White Paste 5 oz	21,336	0.49	10,454
10	Elmers Glue 8 oz	7,830	1.29	10,100
11	Elmers School Glue 1¼ oz	22,272	0.39	8,686
12	Ross School Glue 4 oz	11,004	0.69	7,592
13	Dennison Glue Stick	12,100	0.59	7,139
14	Elmers Wonder Bond	4,116	1.69	6,956
15	3M Super Strength Adhesive	3,852	1.69	6,509
16	Scotch Refillable Dispenser	6,240	0.99	6,177
17	Scotch Magic Tape Refill ½ x 850"	5,712	0.99	5,654
18	Elmers Glue 1¼ oz	11,424	0.39	4,455
19	Rose Rubber Cement 4 oz	5,124	0.85	4,355
20	Ross Mucilage 3 oz	4,032	0.49	1,975

WRITING INSTRUMENTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Papermate Erasemate Pen	74,724	1.29	96,393
2	Empire Pencils 10 pk	100,992	0.79	79,783
3	Bic Pens 10 pk	53,808	1.19	64,031
4	Magic Markers 20 pk	15,601	1.79	27,925
5	Bic School Special 3 pc	50,112	0.53	26,559
6	Parker Jotter Ball Pen	5,196	3.89	20,212
7	Papermate Write Brothers Pen 10 pk	15,480	1.29	19,969
8	Bic Clic 2 pc Special	25,237	0.79	19,937
9	Bic Pen 5 pk	20,372	0.79	16,093
10	Magic Marker Liquid Crayons Fine 10 pk	7,848	1.99	15,617
11	Bic Banana Ink Crayon 10 pk	8,208	1.79	14,692
12	Papermate Fi Fo Fum 10 pk	7,260	1.79	12,995
13	Bic 4-Color Pen	9,396	1.29	12,120
14	Fantastick Marker	10,056	1.19	11,966
15	Berol Roller Pen 3 pk Special	10,104	1.09	11,013
16	Papermate Power Point Slim	3,762	2.69	10,119
17	Papermate Contour Pen	5,040	1.99	10,029
18	Scripto Push Point Pencil	10,800	0.89	9,612
19	Parker Systemark Pen	2,604	3.49	9,087
20	Carter Marks A Lot Black	15,000	0.59	8,850

(Continued on page 41)

SHOW & SELL
Distributor Rotor
Distributor Cap
Tune-Up Kit
Spark Plugs
Electronic Ignition Repair Kit
Designed for Do-It-Yourselfers
Ballast Resistor
Mopar
Silicone Spark Plug Wire Set
Original Equipment for Chrysler, Plymouth & Dodge Vehicles. Also Applications for AMC, GM, Ford & Most Imports.
Tune-Up Kit
Mopar

Discount Store News

PMA

PRODUCT MOVEMENT AUDIT

Home Office

(Continued from page 33)

Bic for the 1980 season.

By correlating Erasemate allocations to the account's overall business, Papermate is attempting to spur stick pen distribution. Bic has maintained the dominant position in the school supplies area, garnering six positions on our 1979 top 20. Ten-pack pens were our No. 2 item, and the three-piece school special, the two-pack Clic, five-pack pens and four-color pens all placed in the top 10.

Markers were led by Magic Marker's promotional 20-pack while the leader among the single markers was Carter's Mark A Lot. Pencils were led by Empire's 10-pack. Scripto's new entry, the Push Point, was our leading sku in the automatic pencil segment.

Paper and theme books, the No. 1 category in the department, showed little change from the previous year with the exception of a slight trend from filler paper to theme books. Two hundred-count filler (the No. 1 and No. 2 items) showed a 15% sales increase in 1979 while combined theme-book volume was 20% ahead of 1978.

Three Others

The 70-count and 120-count three-subject themes were the No. 3 and No. 4 products respectively. The 200-count five-subject theme replaced the 250-count as our No. 5 item.

Mead's specialty binders, supported by national TV advertising, did surprisingly well with its new entry, the Trapper Keeper, gaining the No. 8 position.

(Continued on page 41)

Expanded Show Set For May 18-21

NEW YORK—The National Stationery Show has expanded to all four floors of the New York Coliseum for its exposition to be held May 18-21.

Hours for the show will be Sunday, 10 a.m. to 7 p.m.; Monday and Tuesday, 9 a.m. to 6 p.m., and Wednesday, 9 a.m. to 5 p.m.

Jamesway's Sales Up 20% For Year

SECAUCUS, N.J.—Jamesway reported record sales of $242 million for the fiscal year ended Feb. 2, 1980, not including leased department volume. The total is a 20% increase over the previous year's sales of $202 million.

Net income is expected to be in excess of last year's $5.8 million, but not in proportion to the sales increase.

BACK-TO-SCHOOL BUYING PREVIEW

Discount Store News

PMA

PRODUCT MOVEMENT AUDIT®

STATIONERY

(Continued from page 36)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	FILE BOXES & DESK ACCESSORIES			
1	Ballanoff Security Chest #1387	2,124	17.99	38,210
2	Ballanoff File Cabinet 2 Drawer	648	45.99	30,261
3	Ballanoff File Cabinet 4 Drawer	460	59.99	27,595
4	Ballanoff Porta File Giant #1912	1,140	5.29	6,030
5	Ballanoff Security Chest #1385	569	9.99	5,684
6	Ballanoff Porta File #2612	995	4.29	4,268
7	Ballanoff "Check" Plastic #2499	1,212	3.39	4,108
8	Sterling Desk Mate #288	972	3.89	3,781
9	Sterling Desk Tray #282	1,388	2.69	3,733
10	Syndicate File Box Green 5 x 8	1,312	2.29	3,004
11	Syndicate File Box Decorated 3 x 5	2,221	1.09	2,420
12	Sterling File Box Smoke 3 x 5	700	3.29	2,303
13	Syndicate File Box Green 3 x 5	2,530	0.89	2,251
14	Syndicate File Box Green 4 x 6	1,567	1.39	2,178
15	Sterling Memo Holder Smoke 4 x 6	660	3.29	2,171
16	Ballanoff Porta File #1612	420	5.09	2,137
17	Sterling Letter File #274	426	4.99	2,125
18	Sterling Recipe Box 3 x 5	2,856	0.69	1,970
19	Sterling Drawer Organizer #299	771	2.19	1,688
20	Springfield Box File #901A	366	4.29	1,570
	OFFICE & TYPING SUPPLIES			
1	Mead Typing Paper 200ct	34,416	1.59	54,721
2	Mead Steno Book 80ct	27,696	0.75	20,772
3	Amberg File Folders 12ct	12,738	0.89	11,336
4	Mead Legal Pad 14"	12,192	0.89	10,850
5	Mead Legal Pad 11"	15,696	0.69	10,830
6	Mead Typing Paper Tablet 40ct	10,860	0.89	9,665
7	Mead Accounting Book 150ct	3,110	2.99	9,298
8	Eaton Typing Paper Corrasable Pad	8,940	0.99	8,850
9	Mead Index Cards Ruled 3 x 5	21,696	0.39	8,461
10	Eaton Typing Paper Corrasable 1 lb	4,440	1.69	7,503
11	Mead Clip Folio	2,016	3.59	7,237
12	Carter Carbon Paper	10,872	0.59	6,414
13	Artistic Adding Machine Rolls 2 pk	5,628	0.99	5,571
14	Bates Telephone Index	1,254	4.39	5,505
15	Mead Clasp Envelopes 9 x 12	12,200	0.45	5,490
16	Red Rope Expanding File 10 x 12	3,192	1.69	5,394
17	Eaton Tele-Address Book Large	1,776	2.99	5,310
18	Eaton Tele-Address Book Small	2,760	1.89	5,216
19	Vernon McMillan Vinyl Ledger	2,880	1.79	5,155
20	Vernon McMillan Accounting Book	2,208	1.99	4,393
	MISCELLANEOUS SCHOOL SUPPLIES			
1	Crayola Crayons 64ct	22,038	2.19	48,263
2	Crayola Crayons 24ct	46,836	0.99	46,367
3	Crayola Crayons 48ct	16,164	1.79	28,933
4	Dymo Pencil Sharpener (Electric)	1,926	12.99	25,018
5	Jason Scissors 5" Pointed	22,248	0.75	16,686
6	Crayola Crayons 16ct	25,596	0.65	16,637
7	Jason Scissors 4" Blunt	22,956	0.69	15,839
8	Crayola Crayons Jumbo 8ct	15,900	0.99	15,741
9	Mead Poster Board White	68,100	0.23	15,663
10	Swingline Tot Stapler	9,036	1.39	12,560
11	Crayola Crayons Plastic 24ct	9,378	1.29	12,097
12	Mead Water Colors 8's	10,464	0.99	10,359
13	Swingline Cub Stapler	3,138	2.89	9,068
14	Crayola Crayons 8ct	24,648	0.35	8,626
15	Mead Watercolors 16's	6,036	1.29	7,786

Source: Boston Distributors

Home Office

(Continued from page 36)

The fashion business for ack-to-school this year will be tronger due to the scheduled ay 1980 release of the "Star ars" sequel, "The Empire trikes Back." Stuart Hall has on the rights to "Star Wars" nd is responding with a line of eme books, portfolios, memo ads and pencil tablets.

Manton will feature "Star " in a line of cork boards. fashion themes which good for 1980 are Stuart all's Muppets and Pro Sports' e of Pro Football. Both Mead d Union Camp have mar- ted lines featuring Olympic orts. If the United States ycotts the games, we would ggest going very light on the ympics theme.

Apparel

(Continued from page 24)

nded one. They're wise—we 't touch them. We can't com- e, so we have to duplicate m as closely as we can," he l. "We can get top quality imitate pocket treatments, e can offer a reasonable fac- ile to those who can't afford igner jeans."

uyers are enthusiastic ut Garanimals and other co- inated outfits—some say line still needs style and la- improvement in larger s. Hills goes to other labels rder to run three or four ups of coordinates in dif- nt size and fabric group-

Aid Multiple Sales

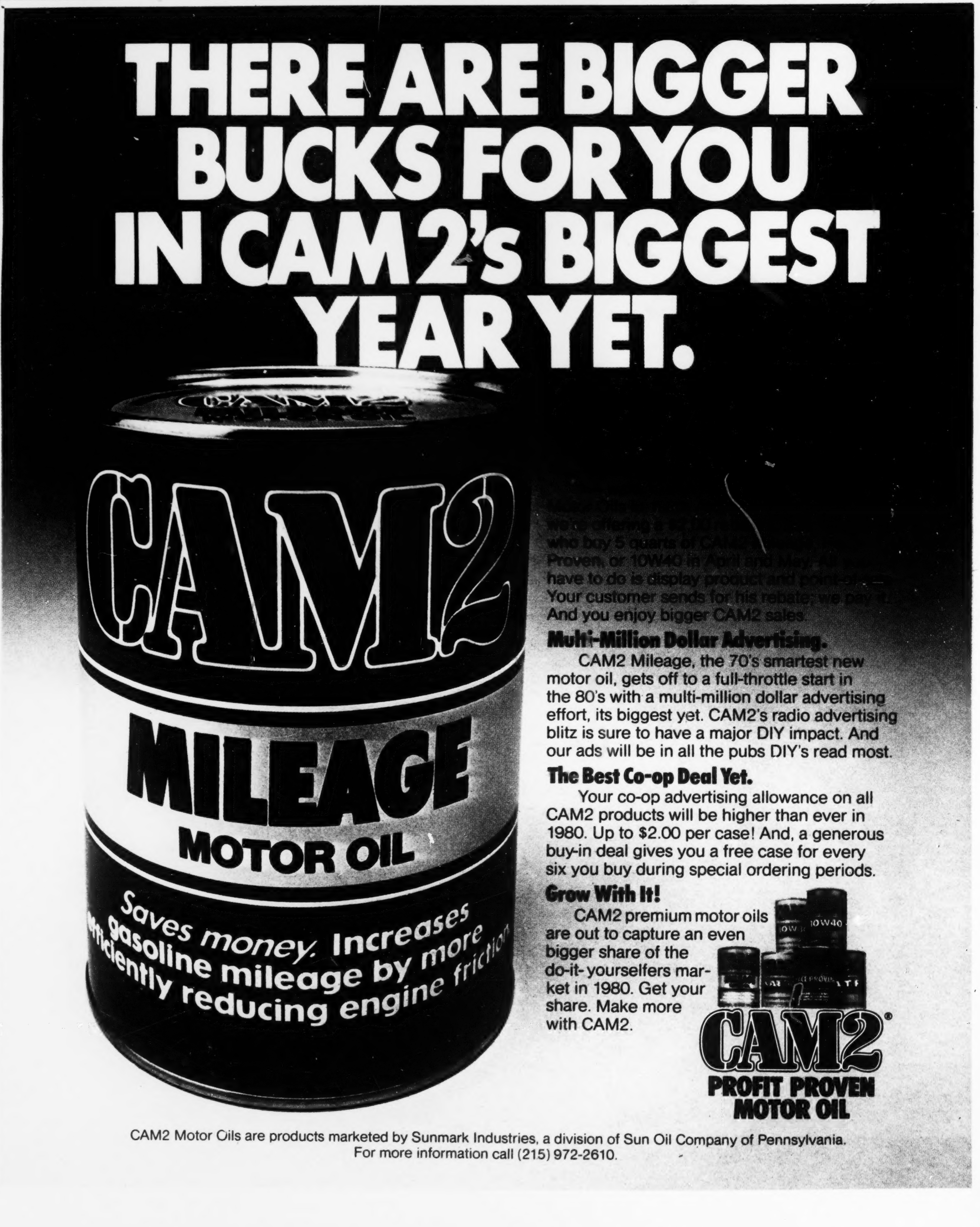
"They help multiple sales and encourage people to shop us—because customers will find everything they need," said the Hills spokesman.

In outerwear, the emphasis is on nylon ski jackets, vests, with zip-off sleeves. Classic trench styles are seeing a resurgence and many merchandisers are planning inexpensive rabbit jackets and fake furs.

Export Business Booms In Writing Instruments

WASHINGTON, D.C.—Export sales of writing instruments and parts increased 20.8% for the first nine months of 1979 and were expected to reach $125 million for the year, according to the Writing Instrument Manufacturers Association.

The greatest increases were in the export of ballpoint pens, markers and parts, attributed to increased shipments to Japan, Venezuela, Spain and Hong Kong. Saudi Arabia, Japan, Hong Kong and Arabian Emirates were the strongest markets for fountain pens.


THERE ARE BIGGER BUCKS FOR YOU IN CAM 2's BIGGEST YEAR YET.
CAM2
MILEAGE
MOTOR OIL
Saves money. Increases gasoline mileage by more efficiently reducing engine friction
10W40
CAM2®
PROFIT PROVEN MOTOR OIL

[illegible] we're offering a [illegible] who buy 5 quarts of CAM2 [illegible] Proven, or 10W40 in April and May. [illegible] have to do is display product and point-of-[illegible] Your customer sends for his rebate; we pay it. And you enjoy bigger CAM2 sales.

Multi-Million Dollar Advertising.

CAM2 Mileage, the 70's smartest new motor oil, gets off to a full-throttle start in the 80's with a multi-million dollar advertising effort, its biggest yet. CAM2's radio advertising blitz is sure to have a major DIY impact. And our ads will be in all the pubs DIY's read most.

The Best Co-op Deal Yet.

Your co-op advertising allowance on all CAM2 products will be higher than ever in 1980. Up to $2.00 per case! And, a generous buy-in deal gives you a free case for every six you buy during special ordering periods.

Grow With It!

CAM2 premium motor oils are out to capture an even bigger share of the do-it-yourselfers market in 1980. Get your share. Make more with CAM2.

CAM2 Motor Oils are products marketed by Sunmark Industries, a division of Sun Oil Company of Pennsylvania.
For more information call (215) 972-2610.

HEALTH & BEAUTY AIDS

Figures supplied by Boston Distributors, a division of Cook United, Maple Heights, Ohio, cover 320 stores, including 290 discount department stores, in 18 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

MEN'S GIFT SETS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Old Spice Set #3384	5,754	5.25	30,2088
2	English Leather Set 941	4,960	5.00	24,800
3	British Sterling Set 4030	3,789	5.00	24,628
4	Brut 33 Splash/Soap Set 5117	5,029	4.85	24,390
5	Brut 33 Splash/Deod. Set 5125	4,025	3.85	16,189
6	English Leather Set 931	2,552	6.00	15,312
7	Brut 33 Splash/Spray Deod. Set 5109	4,205	3.50	14,717
8	Aqua Velva Travel Set 82626	1,661	7.99	13,271
9	English Leather Set 900	1,567	7.00	10,969
10	Williams Mug Set 82436	1,095	9.95	10,895

LADIES' STOCKING STUFFERS-TRIAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Cachet Stocking Stuffer Deal #4610	204	77.04	15,716
2	Windsong Stocking Stuffer Deal #4638	243	63.36	15,396
3	Coty Stocking Stuffer Deal #99019	63.72	13,763	
4	Jean Nate Stocking Stuffer DL 21409	231	54.00	12,474
5	Coty Wild Musk Bear Stocking Stuffer 96569	226	44.10	9,966
6	Love Baby Soft Bear DL #39504	175	43.20	7,560
7	Jovan Ladies Purse Spray Asst. #JF90	73	76.74	5,602
8	Dana Sprite II Ambush/Tabu Asst. H0249	63	84.00	5,292
9	Rive Gauche Stocking Stuffer Asst. #26158	69	65.77	4,538
10	Coty Le'Sport Trial Sz DL #98519	74	42.48	3,143

LADIES' GIFT SETS

$ Rank	Item	Unit Movement	Suggested $ Retail	Total $ Movement
1	Enjoli Purse Pair Set #2105	3,499	7.50	26,242
2	Windson Touchup Spr/Spr Perf Set #4628	3,224	6.75	21,762
3	Coty Emeraude Set Spr/Spr Perf #919	2,935	6.75	19,811
4	Dana Tabu Set #821	2,378	7.50	17,835
5	Jean Nate Lingering Pleasures Set #185	2,556	6.25	15,975
6	Coty Emeraude Spray/Talc Set #902	2,257	6.75	15,234
7	Coty Emeraude Spray/Dusting Pdr #911	2,482	5.95	14,767
8	Coty Wild Musk Crm Perf/Spray Set #932	2,454	5.50	13,497
9	Prince Matchabelli Duet Set #4625	2,421	5.50	13,315
10	Cachet Spray Col/Spr Perf Set 4602	1,522	7.50	11,415

LADIES' FRAGRANCES

$ Rank	Item	Unit Movement	Suggested $ Retail	Total $ Movement
1	Charlie Spray Cologne 4-oz #3734	17,745	4.85	86,063
2	Charlie Spray Cologne 1.7 oz #9116	5,214	8.00	41,712
3	Cachet Natural Spray 1.1 oz #5183	5,392	6.25	33,700
4	Jovan Musk Spray Concentrate JF994	4,087	8.00	32,696
5	Enjoli Natural Spray 1.25 oz #1300	4,108	6.50	26,702
6	Charlie Splash Col 2¼ oz #0686	3,034	8.00	24,272
7	Windsong Natural Spray 1.1 oz #6564	4,078	5.75	23,448
8	Enjoli Spray 5 oz #1305	6,352	3.50	22,232
9	Jontue Spray 2.4 oz #9103	2,750	8.00	22,000
10	Aviance Natural Spray 1.1 oz #4087	3,221	6.50	20,936

MEN'S FRAGRANCES

$ Rank	Item	Unit Movement	Suggested $ Retail	Total $ Movement
1	Old Spice After Shave 4¾ oz 3710	27,378	3.50	95,823
2	Jovan Men's Musk After Shave 4 oz JF901	10,035	7.50	75,262
3	Old Spice Cologne 4.75 oz 3720	17,082	4.10	70,036
4	Jovan Men's Musk Spray 3 oz JF902	7,550	7.50	56,625
5	Brut 33 Splash 7 oz 8085	18,432	2.97	54,743
6	Old Spice After shave 8.75 75 oz 3711	9,001	5.20	46,805
7	English Leather After Shave 4 oz 913	7,331	4.00	29,324
8	Mennen Skin Bracer 6 oz	11,250	2.51	28,125
9	British Sterling AS 4 oz 4001	4,501	6.00	27,006
10	Aqua Velva Ice Blue 16 oz	11,000	2.39	26,292

(Continued on page 77)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Fragrance Biz Swells Hot 25%

By M. Raymond Prendergast
President,
Boston Distributors

A better-balanced merchandise mix with a greater emphasis on single-bottle rather than gift-set sales spurred a 25% growth in fragrance volume for Christmas 1979.

Increased representation of women's fragrances and greater use of Christmas merchandisers and stocking stuffers also contributed to our gain.

Women's single-bottle fragrances showed a 35% sales increase over 1978 with Charlie again leading the Product Movement Audit for December. Holiday sales of this brand, however, declined and 1980 will undoubtedly see a tightening of the line.

Cachet and Jovan Musk remained strong in the single-bottle segment, ranking No. 3 and No. 4, respectively. Enjoli, Charles of the Ritz's 1978 entry, established a significant increase due to greater availability of the product.

Enjoli's sell-through for us was nearly 100%, and it ranked No. 5. Matchabelli's Windsong and Revlon's Jontue demonstrated strong sales as did Aviance. Matchabelli's commitment to the support of Aviance finally appeared to be paying off as the brand placed in the top 10 for the first time. Of the new 1979 entries, Chimere (Matchabelli) and Oleg Cassini for Women (Jovan) will be sure winners in 1980.

More Winners

Value sets under $7.50 dominated the gift category in 1979 with Enjoli setting the pace as a new fragrance entry. Coty, with Emeraude and Wild Musk taking four positions, held onto its leadership of the gift segment. Matchabelli was close with Windsong and Cachet garnering three spots. Dana's Tabu and Jean Nate also placed in the year's 10 best sets.

Jean Nate again controlled the bath market with five entries on the PMA. Jovan, Charlie, Enjoli and Windsong also scored well in this strong growth category.

Cachet and Windsong won the top two positions in the stocking stuffer listing. A more definitive description of this valuable selling size is "impulse or trial size." Consumers, especially the young, react favorably to the lower price points as a means of sampling a new fragrance.

The men's gift-set category showed only a 10% increase in dollar volume in December. Although Old Spice retained its No. 1 position, the franchised lines showed the greatest growth. English Leather (Mem) and British Sterling (Speidel) had exceptionally strong brand shares.

Single-bottle men's fra-

(Continued on page 77)

Shoppers Theater®

The first practical, proved-effective, fully-serviced

Point-of-Purchase Program for Discount Chains

STORE
abc Shoppers Theater

4 reasons why "Shoppers Theaters" produce more sales, more profitably!

1. **We supply the projectors** — A-V Marketing (AVM) consigns Fairchild Display-Type Super 8mm projectors to your stores. You do pay a nominal, fully-refundable Security Deposit on each unit.

2. **We secure Vendors' films** — AVM submits Vendors' P-O-P films for your review, based on pre-selected products listed by your chain. You set up a schedule of Film Promotions; AVM contracts with Vendor to produce the Fairchild cartridge films and ships them to your stores prior to each Promotion.

3. **We service the Projectors and the Films** — All projectors are placed under direct-replacement service policies with AVM's regional Service Centers that are just a toll-free call away. Any defective unit is replaced within 72 hours. Replacement films are placed in your Service Center or at your headquarters office.

4. **We pay you a Performance Fee for every Promotion** — AVM pays this Performance Fee to compensate you for the time and expenses you incur in coordinating each Promotion through your stores.

★ All AVM procedures are backed by over three years' experience in P-O-P films, serving the leading mass-merchant, a major department store chain and top-level regional discount chains.

★ For more information and a complete proposal, contact:

A-V Marketing INC.
438 Camino Del Rio South, Suite B213 • San Diego, CA 92108 • Telephone: (714) 291-4461

Jovan
Houbigant

Women's single-bottle fragrances enjoyed a 35% sales increase at Christmas while lower-ticket sets dominated the gift category. This upgraded display is at Venture in the Norridge section of Chicago.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Fragrance

(Continued from page 74B)

grances, led by Old Spice and Jovan, showed a 25% increase. Brut 33 slipped to the No. 5 slot and Mennen's Skin Bracer fell to No. 8. English Leather, British Sterling and Aqua Velva rounded out this PMA. The new entries this year that bear watching are Revlon's Chaz, Jovan's Oleg Cassini, Lever's Denim and Mennen's Millionaire.

It should be noted that Christmas fragrance deals, available for most men's and women's brands, have provided a means of supplementing holiday assortments and contribute to a more festive environment.

These deals range from gift sets to stocking stuffers and also contain the fastest moving sku's of the fragrance line. The flexibility of this type of merchandising lends itself to all types of retail outlets. The sales of fragrance deals should not be limited to the Christmas selling season as year-round sales will be significant.

HEALTH & BEAUTY AIDS

(Continued from page 74B)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
FRANCHISED BATH				
1	Jean Nate Splash 16 oz #9	3,463	5.50	19,046
2	Jovan Musk After Bath 8 oz JF991	3,011	4.50	13,549
3	Jean Nate Splash 8 oz #11	3,800	3.50	13,350
4	Jean Nate Talc 4 oz #19	3,782	2.75	10,400
5	Jovan Musk Dusting Powder JF996	1,558	6.50	10,127
6	Jean Nate Dusting Powder #20	1,829	4.95	9,053
7	Charlie Dusting Powder 5 oz #8598	906	9.00	8,154
8	Enjoli Dusting Powder #1505	1,068	7.50	8,062
9	Windsong Dusting Powder 8 oz #6097	989	8.00	7,912
10	Jean Nate Bath Beads 15 oz #46	2,610	2.50	6,525
LADIES' FRAGRANCE DISPLAYS				
1	Aviance Xmas Display Asst 4658	202	174.50	35,249
2	Jean Nate Xmas Asst 21407	217	148.50	32,224
3	Enjoli Gift Collection Deal 20007	207	155.25	32,136
4	Giftique Raggedy Anne Asst 3808	169	124.15	30,981
5	Cachet Xmas Asst 4612	179	167.00	29,893
6	Smitty Asst Fragrance DL 952	141	202.20	28,510
7	Coty Emeraude Fragrance Asst 992	189	148.50	28,066
8	Windsong Xmas Asst 4639	179	141.50	25,328
9	Chimere Introductory Asst 3808	169	124.15	20,981
10	Jovan Fragrance Asst JF80	176	115.10	20,257

Source: Boston Distributors

Color Photo Lab Part Of Lucky's Picture

DUBLIN, Calif.—Lucky Stores has opened a photofinishing laboratory in La Mirada, Calif., that will serve almost 200 company stores, including the three dozen Gemco discount stores in southern California.

The facility, called Horizon Custom Color Labs, is geared to handle more than 4,000 rolls of films a day. It processes only 110, 126 and 135 color film.

Black and white film, movies and slides are processed for Gemco and the other stores operated by Lucky by an outside photo lab.

Box Stores Hot

(Continued from 18A)

Babic cited statistics which show an average supermarket grossing $80,000 weekly and some box stores grossing $100,000 in far less space and with less than a 10th of the sku's of their conventional competitors.

Box stores, he added, can be profitable on gross margins of 10%-12% while supermarkets need margins of at least 20%. Labor costs are kept lower in box stores by employing a greater proportion of part-timers; utility costs are minimized by excluding most or all frozen and refrigerated foods, and advertising is typically less than 0.5% of sales compared to 1% to 1.5% for supermarkets.

However, operating economies and low prices alone aren't enough to guarantee the long-term success of utilitarian food outlets. "Anybody who thinks plain piperacks and low overhead are a surefire answer hasn't tried to buy a suit at Robert Hall lately," Babic said.

The key, he explained, is whether inflation will continue near its present high level.

"The consumer still has to go to a supermarket for significant segments of her shopping needs. If inflation stops, or slows down noticeably, supermarket prices could approximate those in box stores. That could make the extra trip to the box store not worth the time and gasoline. We could see a lot of empty stores."

AMERICAN EXPRESS
Travelers Cheques

"This sign is not just window dressing. It sells billions of dollars' worth of goods."

"People who carry American Express Travelers Cheques do notice our sign. In fact, research proved that many of them prefer to shop where they see this sign.*

"That means millions of shoppers looking for a place to spend billions of dollars. Displaying this decal will help keep them from taking their travelers cheques elsewhere.

"When they see the American Express decal they know their travelers cheques are welcome. In fact, some people think that stores that don't display our sign don't accept our travelers cheques.*

"Don't risk turning away valuable customers. Use this decal to help get a bigger share of a growing business. Order your decals now. Call us collect at 212-480-4223 or send in this coupon. And we'll put your decal in the mail right away."

*Source: 1977 Bruskin Study

Send for the sign that sells billions DSN-3-10

Send to: Mr. John E. Wason
Manager of Retail Relations
American Express Plaza
New York, New York 10004

Name ____
Address ____
City ____
State ____ Zip ____
How many decals do you need? ____

American Express® Travelers Cheques. Don't do business without them.℠

DIY CENSUS

HOME IMPROVEMENT

Discounters Plan Nearly 300 More DIY Departments

By Miles W. McBurney

Many of the leading chains in discounting have made major new commitments to capture an expanding share of the home improvement market.

Discounters began 1980 with more than 1,500 home improvement departments, approximately 300 more than were in operation a year ago. Present plans call for nearly 300 departments to be added in the 1980 DIY census year (Feb. 1, 1980, to Jan. 31, 1981).

While 1,800 home improvement departments is a formidable retail force—one that has the home center industry sitting up and taking notice—discounters can really be divided in two categories: K mart and everybody else.

K mart is currently operating 916 building material departments averaging about 4,400 sq. ft. A chain spokesman said that 100-125 additional departments (all in stores other than the 40,000 sq. ft. Group 9s) will be opened this census year, some as large as 7,500 sq. ft.

Besides their sheer numbers, K mart runs some of the most complete home improvement sections in the discount industry. When building material departments, with their paneling, lumber, shelving, plumbing fixtures and other merchandise are added to related DIY departments such as hardware, paint, electrical and lawn and garden, a K mart store's approximately 20,000 sq. ft. of DIY space is competitive with the area of many home centers.

In the second tier of home improvement discounters, the major forces are T.G. & Y. and a hard-charging Woolco.

T.G. & Y. is operating 130 stores with home improvement departments and will up that number to 160 in the census year. Woolco, which in 1978 had a mere 13 departments, began 1980 with 63 and plans to add 49 for a total of 112.

Wal-Mart, one of the most successful of discounters, in 1979 discontinued all 52 of its broad-line home improvement departments and Bradlees may be on the verge of a similar move.

A Wal-Mart spokesman said that bulky, hard-to-handle materials such as lumber and fiberglass insulation simply weren't sufficiently productive in the chain's relatively small stores. The departments were dropped, and the space saved was divided among expanded hardware departments and pet seasonal departments in those stores.

Bradlees, which operates 15 home improvement departments, has suspended plans to develop additional DIY-oriented departments with such merchandise as lumber, paneling, floor and ceiling tiles, wall coverings, expanded paint selections and insulation. Instead, a chain spokesman said, Bradlees may

(Continued on page 70)

Discounters to Keep Up Hot DIY Expansion

Rank	Chain	No. DIY Depts. 2/1/80*	Average Sq. Ft. of Depts.	New Depts. Planned by 1/31/81**
1	K Mart	916	4,400	115
2	T.G. & Y.	130	4,000	30
2	Murphy's Mart	64	2,500	4
4	Woolco	63	5,000	49
5	Fisher's Big Wheel	57	800	6
6	Rink's	42	5,000	5
7	Fred Meyer	37	15,000	4
8	King's	37	8,500	15
9	FedMart	36	15,500	0
10	Payless NW	29	1,200	10
11	S. E. Nichols	28	18,000	7
12	Jamesway	24	5,000	7
13	Two Guys	22	7,000	0
14	Jefferson	21	300	20
15	Meijer's Thrifty Acres	19	11,000	0
16	Bradlees	15	4,000	0
17	Danners 3D	8	5,000	0
18	Consolidated Sales	7	11,000	1
19	Gee Bee	7	2,000	1
20	Modell's	6	5,000	0
21	Click	6	6,000	0
22	Howard Bros.	3	20,000	0

**Refers primarily to in-store departments, but also includes freestanding units*
***Some figures are DSN estimates*

With home improvement departments, such as this in Greenville, N.C., averaging 18,000 sq. ft., Nichols has the space to merchandise bulky vanities, paneling, siding and insulation. (DSN photo)

Continued shortages of promotional power tools, shown here in Bradlees, Norwalk, Conn., are expected to harm the effectiveness of spring promotions. (DSN photo)

Hardware Sales/Ft. Rise 72% in 5 Years

Long one of discounting's more basic and staple departments, hardware evolved slowly through the 1970's.

At the close of the decade, department size was significantly larger than at the beginning, but smaller than in the middle years, after which some product lines were broken out into other departments—notably home improvement.

More significantly, while initial markups and gross margins remained stable with slight increases, sales per square foot rose more than 72% through the last half of the 70's. Discounters and their customers turned from low-end product lines to higher-ticket goods of better quality as the do-it-yourselfer gained long-term interest in home repair activity to beat the rising cost of professional help.

	1970	1974	1975	1976	1977	1978	1979	10-year change	5-year change	'78 vs. '79
Dept. Size (sq. ft.)	2,200	2,353	3,225	4,400	4,450	3,195	3,210	+45.9%	+36.4%	+0.5%
Annual Turns	2.7	3.5	3.5	3.5	3.3	3.1	3.0	+11.1%	−14.3%	−3.2%
Volume per sq. ft.	—	$77.00	$82.00	$113.63	$114.08	$122.47	$132.91	—	+72.6%	+8.5%
Initial Markup	38%	39%	40%	40%	41%	39%	41%	+7.9%	+5.1%	+5.1%
Gross Margin	35%	34%	36%	35%	35%	34%	36%	+2.9%	+5.9%	+5.9%
Company Run	88%	94%	92%	94%	92%	92%	94%	+6.8%	NC	+2.2%

Nearly 300 More DIY Depts. Set

(Continued from page 57)

choose to concentrate more on home "decor" than do-it-yourself improvements.

Nonetheless, most discounters in the business are looking to home improvement to be one of the most successful categories in 1980 with several factors buoying their optimism.

The economics of DIY is forcing an ever-growing number of householders to try their hand at their own repairs and improvements; energy costs are making better weatherproofing imperative, and first-time DIYers are discovering that most projects are easy to perform and sometimes even become recreational.

While inflation is squeezing disposable incomes even harder, consumers view maintenance of their homes as a necessity. "A home is the No. 1 priority for people. . . . People will spend on their homes because they have to," a spokesman for Rink's said. "Our job is to see that they spend at our stores."

A spokesman for Jamesway said: "Home improvement will probably be the single biggest growth area in our stores for the foreseeable future."

Not only are DIY repairs less expensive than professional contractors, he said, but consumers are inclined to improve the homes they presently own rather than purchase another.

"Consider the cost of new homes. Not just are materials and labor higher, but also mortgage rates are at record levels. Rather than being able to afford a new home, people are forced to add on to their present homes," he explained.

One of the staple categories in home improvement is energy savers—from fiberglass insulation to weather stripping, storm doors and windows, pipe wraps, timer thermostats and any other product that will reduce heat waste and conserve fuel.

Retailers in more temperate markets report steady growth in energy savers as well as do discounters in the colder North.

A Sunbelt discounter like T.G. & Y. noted that despite a relatively mild winter in its regions, insulation sales this year have shown healthy gains.

Others agree, reasoning that the prospects for this kind of merchandise will no longer fluctuate according to current weather patterns but will continue to gain as fuel becomes more expensive. Fuel consumption may be lower, but costs still rise, they note.

"We're having a mild winter this year and people are still seeing their heating bills go up because of the cost of oil," the Rink's spokesman said.

Fiberglass insulation remains the key to projecting a good image in energy savers, and discounters reported this season that shortages eased, allowing

(Continued on page 71)

NOBODY COVERS AMERICA'S

No other brand of work clothes comes up to the Big Ben standard of quality – in materials or construction. That's why America has been sold on Big Ben since 1915. And to help you sell your customers and keep them sold, we offer you a complete line in a wide range of colors. And we

Nearly 300 More Depts.

(Continued from page 70)

them to promote the product once more. Still, said spokesmen for Jamesway and Nichols, reorders were slow in arriving during the peak season this fall, leading them to plan on larger early orders in 1980.

"The material was there this year, but the in-season delivery times were slow," the Jamesway spokesman said. "You had to make your commitments early and if you want to have sufficient quantities this year, you'll have to commit early again."

The desire by consumers to reduce their use of conventional heating methods—oil, natural gas and electricity—also led to eager responses to wood-burning stove promotions.

(Continued on page 78)

Paint Picture Shows Growth in Sales/Sq. Ft.

	1970	1974	1975	1976	1977	1978	1979	10-year change	5-year change	'78 vs. '79
Dept. Size (sq. ft.)	1,050	1,184	2,175	2,180	1,750	1,269	1,269	+20.9%	+7.2%	NC
Annual Turns	3.1	3.0	3.0	3.5	3.2	2.9	2.9	−6.5%	−3.3%	NC
Volume per sq. ft.	—	$74.00	$81.00	$86.00	$105.49	$112.38	$116.50	—	+57.4%	+3.7%
Initial Markup	38%	41%	41%	43%	45%	43%	43%	+13.2%	+4.9%	NC
Gross Margin	35%	35%	35%	36%	37%	36%	37%	+5.7%	+5.7%	+2.8%
Company Run	81%	89%	85%	86%	86%	89%	90%	+11.1%	+1.1%	+1.1%

NC—no change

Source: DSN research

The 10-year record of paint departments in discount stores, illustrated by this chart, shows relatively little change for this staple product line. While turns showed a very slight decline, sales per square foot have shown steady growth, and margins and initial markups have maintained healthy levels.

WORK FORCE LIKE BIG BEN®

back up every garment with a full one-year warranty. Nobody else puts that much confidence behind their label. But then, nobody else has the Big Ben name to live up to. For the fastest, most convenient way to order Big Ben work clothes, call our toll free number: **800-334-0803**

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Home Security Center
Yale

Locking devices for DIY installation—from phone locks to door chains, doorknob locks and deadbolts—are assembled in a home security endcap at J. A. Conley, Massillon, Ohio. (DSN photo)

Aggressive Promotion Is Key

Rink's: DIY to Grow Despite Economy

TOLEDO, Ohio—Despite economic pressures that may hold down other merchandise categories, home improvement will continue to grow throughout 1980, a merchandiser for Rink's predicted.

"If we're aggressive in promoting home improvement, this will be a good year for us," said Jerry Sommers, the chain's merchandise manager for the category.

"A home is the No. 1 priority for people. Home improvement, from nuts and bolts and screws to hand tools and plumbing and hardware and everything else is very recession resistant. People will spend on their homes because they have to," he said. "Our job is to see that they spend at our stores."

Of particularly high potential will be products related to energy saving. While merchandise in this group has benefited in recent years by the steady rise in energy costs, the quickening pace of fuel price increases has led to ever-greater optimism by home improvement retailers.

"I'm still excited about energy savers," Sommers said. "I think they're going to stay very big for us. We're having a mild winter this year and people are still seeing their heating bills go up because of the cost of oil."

As a result, sales of weather stripping, fiberglass insulation and other products that can help ease the energy-cost dilemma, such as wood-burning stoves, have steadily increased.

Rink's, which introduced stoves in its stores last year, carried six sku's this season with good results, especially in the fall and early winter, Sommers said.

Fiberglass insulation, which two years ago was virtually unavailable, is now carried as a year-round product with some supply shortages still cropping up near the end of the peak fall season.

While consumers are expected to buy home improvement products in ever-greater quantities, Sommers added that economic factors prevent retailers from making across-the-board inventory increases. The high cost of borrowing will put ever-greater pressure on merchandisers to carefully examine their mix to pare down slow-turning sku's.

An example is lauan-backed wood paneling. "Where before we might have about 10 different panels in a store, now we might have six or eight," the merchandiser said.

Rink's includes home improvement departments in each of its 42 stores, with four more to be added by April. At least one additional store is scheduled to open in the next year.

Department size averages 5,000 sq. ft., although the newer stores are slightly smaller than the approximately 80,000 sq. ft. of existing units.

"The newer departments will have to be slightly smaller because everything will be compacted in these stores," Sommers said. "They'll have the same merchandise, however, because we'll go a little higher."

In addition to the area designated as home improvement are separate departments for paint and hardware, adding approximately 4,000 sq. ft. of selling area.

300 More Depts.

(Continued from page 71)

Rink's and Jamesway reported that customers snapped up their enlarged lines of stoves during late-summer and early-fall promotions. "We didn't have enough of them this year. . . . We were completely wiped out after the first two promotions," a Jamesway merchandiser said.

Discounters also theorize that consumers are becoming more committed to DIY improvements by virtue of the changing patterns in tool purchases. Rather than purchasing for price alone, consumers seem to be more concerned about quality, leading merchandisers to believe that consumers are making a long-term commitment both out of necessity and as converts to home repair as a hobby.

Most discounters report that the greatest interest is generated by their mid-priced lines of better imported tools and some domestic brands.

"The middle of the road is where we find the action in hand tools," a Rink's merchandiser said. "Most American-made tools are very expensive—you can pay $8 or $9 for pliers. You can get a good import for half the price with 90% of the quality and that's where we want to be."

Perhaps as important a motivation for growing numbers of DIYers as cost savings is the recreational aspect of working with their hands. "They may have been forced into DIY by necessity, but many of them stay with it because it's fun," a Woolco spokesman said. "They redo a room and they're proud to show their neighbors what they accomplished."

You Made It Happen For Us In The 70's...

Thanks to your strong support, we enjoyed our finest year ever in 1979. Goals set years — even decades — ago helped make it all possible, just as goals being outlined today insure our service and capabilities for tomorrow.

And We'll Keep It Rolling For You In The 80's!

Throughout our history, Unarco goals have set the stage for Unarco accomplishments, an unbroken cycle that's taught us a simple lesson: the achievement of one goal automatically establishes another. The final year of the 70's saw the long-awaited introduction of our Checkmate over-the-counter shopping cart, but it was also a decade that included development of the VendAll and Vendex merchandising systems, Stock-Mor trucks and a host of other innovative products.

We're looking ahead as well. Today's Unarco has its eyes on the future needs and requirements of our customers as new product and technical advances move through planning to even greater engineering and production triumphs.

So for our many valued Unarco customers of years past — a simple, but superlative, hand of appreciation.

And for those we've yet to meet in the 80's — join us. We'll keep it rolling together.

Unarco Commercial Products

STORE NAME
Cobra
Char Coal Lighter
Little Playmate

8/22/80 C 5150-2-3

Special Sections { *Photo Show: Pp. 19-28*
Catalog Census: Pp. 39-44

Discount Store News®

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MARCH 24, 1980

Macks Joins Up: Latest Variety Chain to Open Discounter

By Judith Crown

Macks becomes one of the last major variety store chains to turn to discounting with the opening of its first Maxway store this month in Sandersville, Ga.

The Maxway debut comes 18 years after Kresge made the switch and shaped the face of discounting. During the 1960's and 1970's, Woolworth, T.G. & Y., Wal-Mart, A. L. Duckwall, G. C. Murphy and Sterling Stores saw that future growth would come with high-volume, low-margin operations. They concluded, some reluctantly, that variety stores were a dying breed.

During the mid-1970's, Macks, headquartered in Sanford, N.C., found its variety stores squeezed by discounters and dollar and drug chains. This contributed to a slowdown in earnings and 5.9% profit dip in 1978.

For the first three quarters of 1979, sales increased 23% to $42.2 million and earnings were up 61% to $870,336. The chain operates 99 variety stores.

Macks executives regret not having moved to discounting sooner, but note they have learned a lot by waiting and watching others.

The 41,250-sq.-ft. Maxway scheduled to open in Sandersville departs from the traditional low-end orientation of most discounters spawned by variety chains.

Macks executives visited most major chains before developing the Maxway prototype and decided to follow the upscale model of Target, Venture and Ayr-Way. They believe Maxway will appeal to young families with incomes as high as $30,000, as opposed to the $20,000 income cutoff they see for mainstream discounters.

"Upgrading seems to be the trend," said R. C. Dodson, director of sales and advertising. "We're trying to find a niche below the department store." This approach, Macks executives believe, will distinguish Maxway from its competition in the Southeast from traditionals like K mart, Woolco, T.G. & Y. and Sky City.

The Changing Face Of Retailing

Maxway's small size could be a stumbling block to effective fashion merchandising.

Maxway, in its rural orientation, will part company with upscalers like Target, Bradlees, Venture, Clover and

(Continued on page 46)

Stay-at-Home Trend Spurs Steep Climb In Decorative Wall Accessory Volume

By Iris Rosenberg

The gas crunch has hit the home furnishings department.

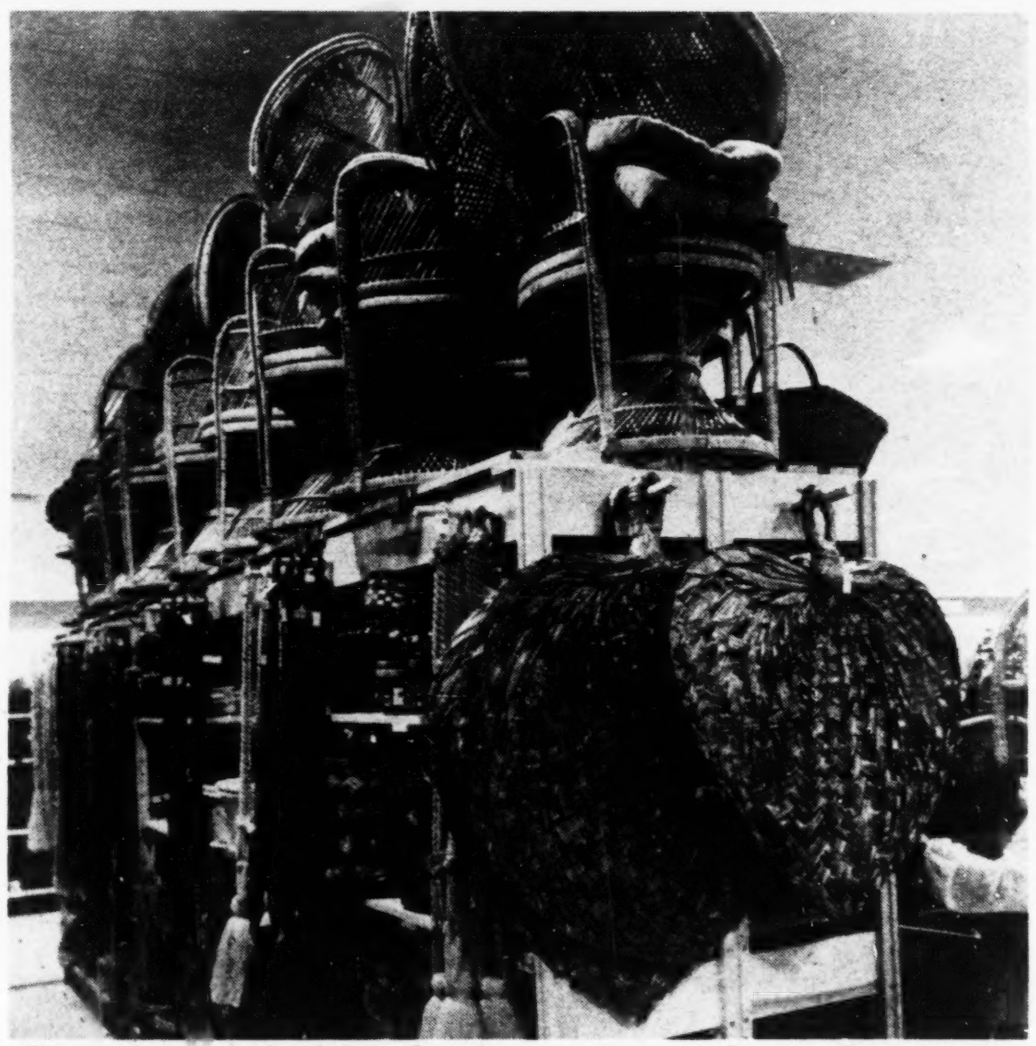
Around the country, discounters are reporting that restless consumers, forced to stay closer to home by escalating fuel costs, are making tracks into their home furnishings departments in search of leisure-time decorating projects.

One area that has experienced a dramatic increase in sales as a result of this heightened consumer interest in upgrading homes and apartments is decorative wall accessories.

Buyers report a new breed of consumer who is not only value conscious but fashion minded. As a result, buyers say they are trading their customers up from more traditional low-end promotional wall decor items (under $4) to accessories that retail much closer to $10.

At the same time, discounters have also spotted a growing

(Continued on page 50)



Straw fans and wicker furniture, runaway bestsellers at discount stores around the country, get endcap treatment at Target's Hurst, Tex., store. (DSN photo)

Sen. Hatch: I'll Filibuster Vs. Lubbers Appointment

WASHINGTON, D.C.—Sen. Orrin Hatch (R-Utah) told members of the National Mass Retailing Institute gathered here for the NMRI's Second Annual Government Affairs Conference that he would start a filibuster in the U.S. Senate to prevent a vote confirming the appointment of William A. Lubbers as general counsel for the National Labor Relations Board.

Lubbers, who is currently serving as the N.L.R.B.'s acting general counsel by Presidential appointment, is opposed by Hatch and other members of Congress for his apparently prolabor sympathies.

According to a senior aide at Hatch's Capitol office, the Senator opposes Lubbers on several points.

Lubbers has had a long association with N.L.R.B. Chairman John Fanning—and the law requires that the general counsel be independent from the board. Fanning himself has been quoted as saying he would have to "make a judgment on his continued chairmanship," should Lubbers be confirmed by the Senate, in view of their long association.

Lubbers, according to Hatch, has written "many prolabor decisions" while with the N.L.R.B., and his neutrality is suspect.

Lubbers has "no experience in labor relations," and only "limited experience with the re-

(Continued on page 50)

Discounting Week

DIY RALLY. FedMart, which cut back its do-it-yourself product mix by 25% in the past few months, is getting ready to revitalize the department. According to chain sources, the 70-plus-unit California chain pulled back on its home center commitment earlier this year "which was too broad for our mix." The new program will reposition the chain in the DIY business.

TWO FOR HILLS. Hills plans to open an 80,000-sq.-ft. store in Sharon, Pa., in October, and a similar-size unit in Painesville, Ohio, in April 1981. The latter will be Hills' first thrust into the Greater Cleveland market.

NEW IMAGE. Quality Farm and Fleet, the Michigan-based chain of more than two dozen discount stores, has changed its name to Quality Stores to reflect its evolution into a more well-rounded general merchandise chain.

ANOTHER CLOSING? Korvettes' 143,500-sq.-ft. store in Huntington, N.Y., is still open, but the lease for the unit was advertised as being available, along with the 14 Korvettes that have already been shut. A spokesman asserted that the company hadn't decided on the store's future.

K MART PLANS. K mart is looking at an old White's store in Yorktown Heights, north of New York City. The 120,000-sq.-ft. building on Compound Road is near two Caldor stores.

CLOSED. Community Family Centers, Chicago, has closed its marginally profitable Fullerton Avenue outlet, a 67,000-sq.-ft. store adjacent to The Brick Yard, an inner-city shopping center. The leasehold, which had 12 years to run, was sold to Forest City Enterprises, Cleveland-based home center operation, for $1 million.

2 Lessees to Be Phased Out

Woolco Developing Direct-Buy Apparel Strategy

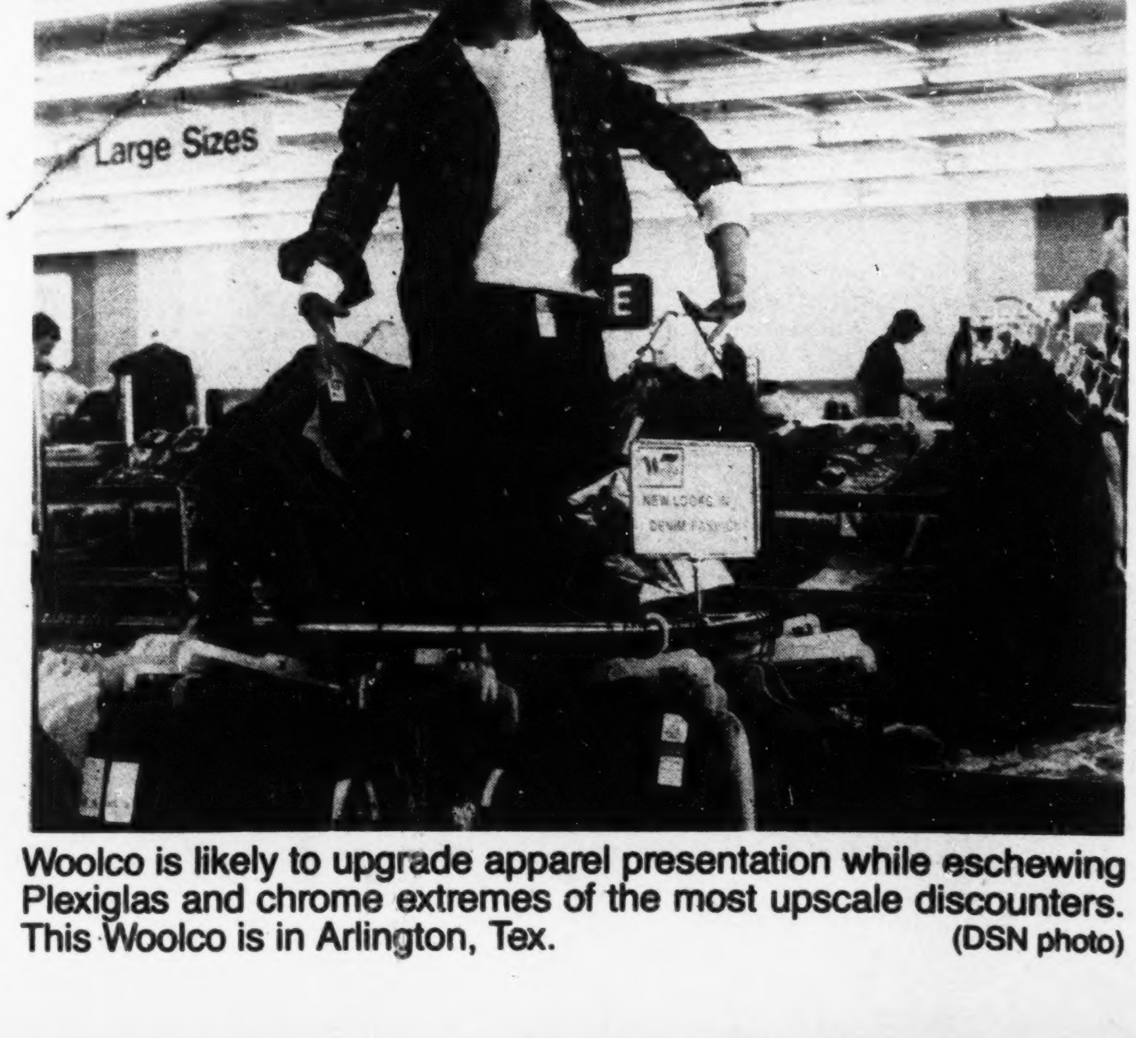
NEW YORK—It's a watershed year for Woolco as the discounter prepares to assume direct buying of apparel that was formerly handled under contract with Apparel Buying Associates and Rockower Brothers.

Merchandisers say there will be no immediate changes in merchandise mix or presentation. Centralization will enable better tracking of inventory, more aggressive promotions and the opportunity to develop importing.

Meanwhile Woolco's merchandising staff, under Robert F. Butler, recently named to the new post of vice president for merchandising/apparel, will develop a long-range strategy for sharpening Woolco's position as a budget apparel retailer.

Butler declined to comment on his long-range plans until centralization is completed

(Continued on page 46)



Woolco is likely to upgrade apparel presentation while eschewing Plexiglas and chrome extremes of the most upscale discounters. This Woolco is in Arlington, Tex. (DSN photo)

Few Turn Out, However

Discounters Plug Home Center Show

DALLAS—Twenty thousand people turned out for the annual home center show held here early this month, but discounters were barely visible in the crowd.

Although tool, paint and sundries, plumbing and electrical vendors rented more booth space than ever before, discounters still think of the show as too building-material oriented for their needs.

However, among the dozen or so discounters that did come out the reactions were more than favorable.

"It's a show that gets better every year," said a spokesman for Gold Circle who said he attended the show each year to keep abreast of what's happening in home improvements.

"It was a good working show," reported Rick Giordano, buyer, Fisher's Big Wheel, New Castle, Pa. "It gave us a chance to take care of any problems we had with our vendors."

Giordano and the other discounters who went to Dallas agreed that the home center show would never replace the giant hardware show in Chicago. However, they all pointed out that the slower pace of the former gave them a chance to stop in at the booths of the smaller vendors they never have time to see in Chicago.

"The more hard lines vendors they get," predicted Giordano, "the bigger the following they'll get."

"It was an excellent show," assessed Larry Shapiro, division merchandise manager, Gold Triangle, Hialeah, Fla. Shapiro found the show essential to his chain's business, because the hardware show was becoming too "nuts and bolts oriented.

"This show gives me a chance to look over the big-ticket do-it-yourself products, like kitchen cabinets."

The one single complaint about the show was the absence of new products. Some discounters felt that manufacturers tended to wait until the hardware show to offer new items. Others felt that the rapid growth of the do-it-yourself business over the past five years had finally caught up with the industry.

Buyers at T.G. & Y. and Wal-Mart were among those disappointed at the lack of new products—although their opinion of the show remained high.

Other discounters in attendance were from Hills, Woolco, FedMart and K mart. K mart's buyers were said to have toured the show early Sunday morning (minus identifying badges) and then disappeared.

NATIONAL HOME CENTER
HOME IMPROVEMENT
CONGRESS & EXPOSITION
ENTER HERE

Only a handful of discount store merchants turned out for the annual home center show which drew 20,000 people to Dallas earlier this month. (DSN photo)

Sam Walton Shortens Leave; Back in Saddle by April 1

BENTONVILLE, Ark.—Although Sam Walton announced last November that he was taking a two-to-four-month leave of absence, it turned out that Wal-Mart's founder couldn't stay away for long.

"He's been around most of the time," said counsel Robson Walton. "He has taken some time off, but not as much as he intended."

At the time Sam Walton announced plans to take time off, industry observers pointed out that the chairman was trying to show Wall Street and the outside world that Wal-Mart could run without him—that he had built a line of succession. Most agreed that Sam Walton had no plans to retire.

The chairman is taking several weeks vacation during March but is expected to be "back in full steam" by April 1, according to Robson Walton.

End of Minimum Pricing For Booze Due in N.J.

TRENTON—Barring further court intervention, minimum pricing of alcoholic beverages is due to end this month.

Minimum wholesale and retail prices, opposed by consumer groups and state agencies, but strongly supported by distributors and most retailers, were struck down by the State Supreme Court last month. The court, however, stayed enforcement of its decision until March 11 to allow minimum price supporters time to file for a rehearing or to appeal to the United States Supreme Court.

In addition, legislators in the State Senate and Assembly have filed bills to reinstitute minimum prices through at least Feb. 1, 1981. The bills are considered not likely to be enacted and would face a probable veto from Gov. Brendan Byrne, who has supported price deregulation.

While discounters have been active in the past in opposing similar "fair trade" minimum pricing, they have not been a major factor in fighting New Jersey liquor pricing regulations. The reason is that discounters currently own few licensed beer, wine and spirits departments. Only Two Guys—with nine alcoholic beverage licenses throughout the state—owns liquor departments while a handful of others in discount stores are run by lessees.

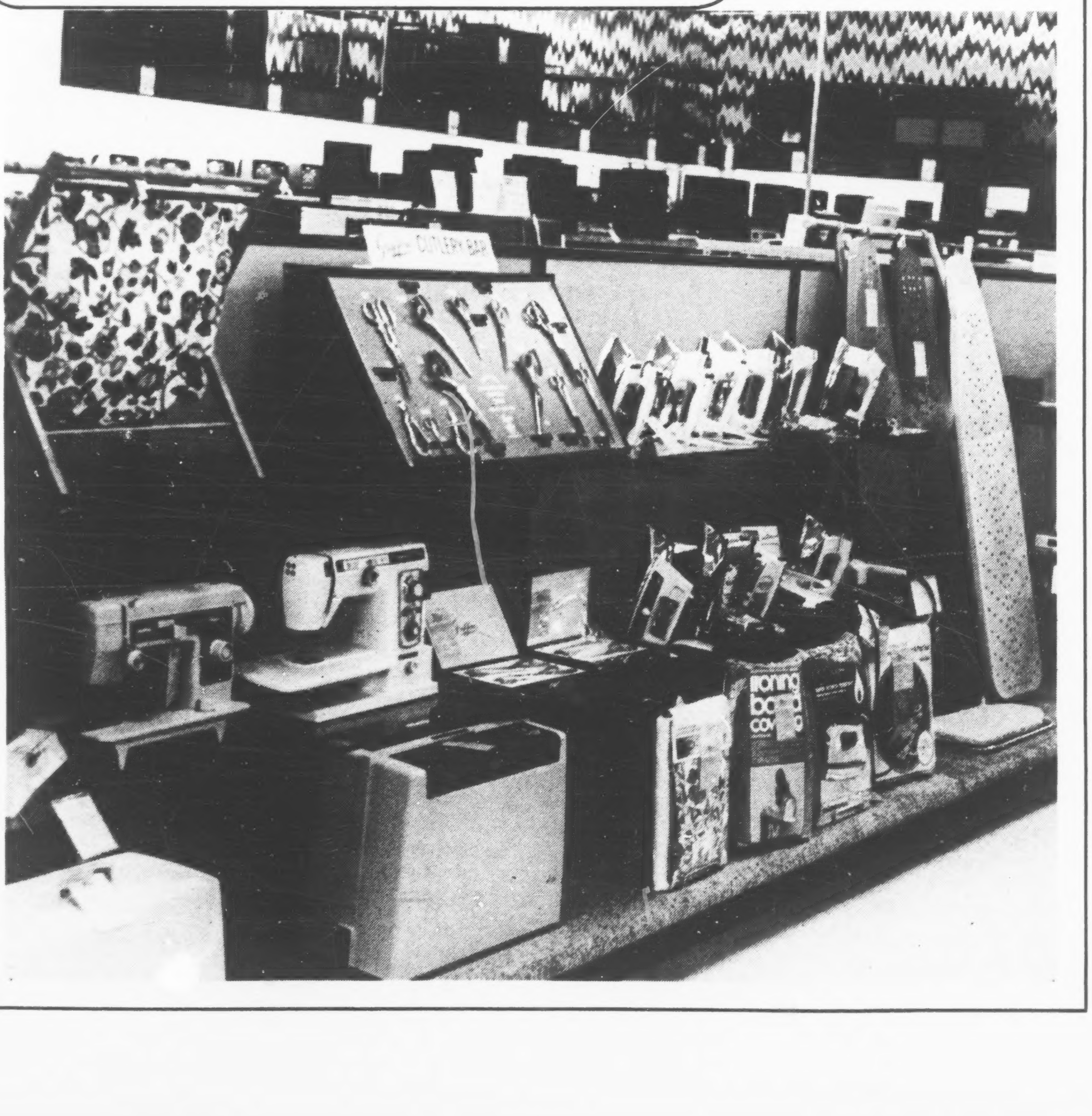
Spotlight on: Sample-Sell Display

Clothing Care Comes Out Of the Closet

The sample-sell display used by catalog showrooms readily lends itself to grouping items to create a mini-section showing all the merchandise in classification.

Clothing care is a case in point. Service Merchandise, Woodbridge, N.J., uses 16 running feet on a gondola side to create a clothing-care category by combining irons and ironing boards, the two key products, along with ironing board covers, sewing machines, sewing baskets and scissors.

The area shows 42 sku's, while the same merchandise in the catalog is spread among three-and-a-half pages, one showing the scissors and sewing baskets, a half-page for the sewing machines, and two pages for the irons, ironing boards and covers. (See catalog showroom census section, starting p. 39, for update on the industry.) (DSN photo)



In This Issue...

PICTURE THIS. Technological improvements expected to appear in photographic equipment in the 1980's will help discounters increase their share of the big-ticket camera category even more, merchandisers anticipate. Last year, consumers spent more than $2 billion on photo equipment in discount store photo departments. The full picture is explored in the Photo Show Section. (p. 19)

INFO MANAGEMENT. Unless information is disseminated efficiently, its usefulness to retail management is very limited. The DSN/Touche Ross Discounter Management Development Series in this issue outlines how to gather, process and distribute reliable information needed to plan business strategy. (p. 45)

USING THE TUBE. In a survey of the top 20 markets, retailers, including discounters, are found to have increased their commitment to co-op television advertising. While the number of retailers broadcasting their commercials has increased dramatically, discounters ranked eighth in their purchases of air time, showing a 10% increase in TV expenditures. (p. 17)

FIELD NARROWS. Consolidation is the trend among catalog showrooms. Fewer chains are expected to be operating in the future, but the survivors will be stronger than ever competitively. A smaller number of chains are taking an ever-larger share of the total showroom business. A complete examination of the industry is in the Catalog Showroom Census. (p. 39)

HIDDEN CRIME. The age of computers may make more information available to discounters than ever, but embezzlement and other frauds are still far too prevalent. Bob Curtis cautions executives against becoming complacent because record-keeping seems so easy. (p. 31)

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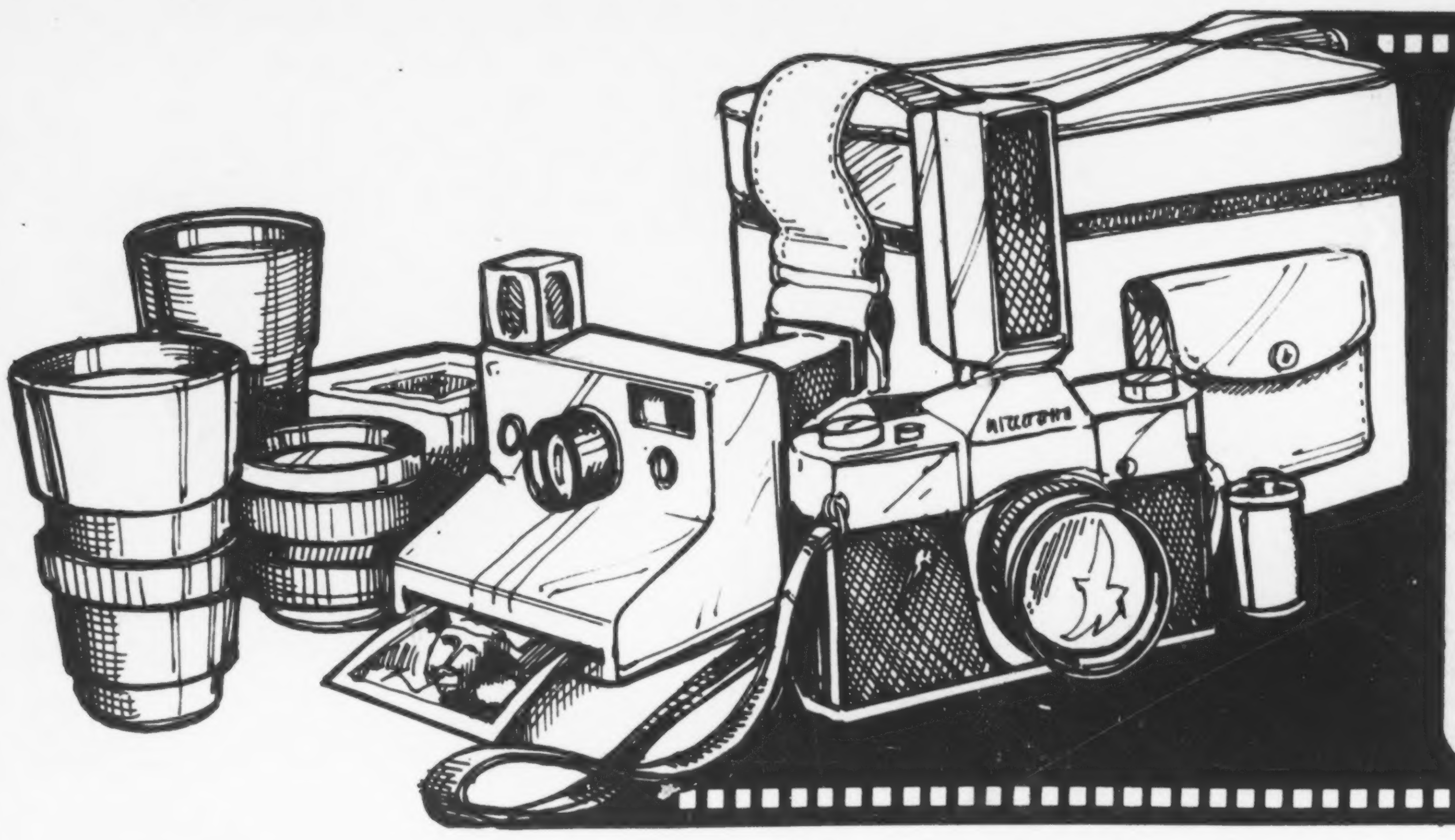

PHOTO SHOW SECTION

More Big-ticket Muscle to Crank Up Photo Biz

Nationwide DSN Report

Photo departments were good to discounters in the 70's.

As the DSN 10-year survey shows, in 1970 only 63% of the country's discount operations operated their own photography departments.

By 1979, discounters who realized the traffic pulling ability of the category were operating 91% of the departments.

And despite the intense competition in the field—particularly from catalog showrooms which doubled their market share in the late 70's—discounters found the category profitable. In 1974, each square foot in a discount store photography department (which averaged 756 sq. ft.) generated $210 in sales. By 1979, a slightly smaller department (670 sq. ft.) was contributing $452 per square foot to store sales.

Outlook For 1980: Price Increases, More Accessories

The 1980 outlook for camera and photo includes:

- Higher retail prices on film and photo finishing as manufacturers pass along recent surges in material (particularly silver) and labor costs.
- Stepped-up consumer and discounter interest in 35mm cameras, particularly single lens reflex cameras (SLR's) as manufacturers continue to presell the TV viewing audience with heavy ad schedules.
- Increased stocking of profitable camera accessories—gadget bags, straps, lenses, flashes and the like—for bottom-line protection.

Looking ahead to the 80's, discounters say they expect new rounds of technological advances (more automated features) to make it easier for them to sell the big-ticket camera with minimally experienced sales staffs.

Instant and pocket cameras will continue to divide the lion's share of department sales (with 35mm's making a stronger showing each year). Buyers were a little disappointed with the inability of this year's new products (Kodak's Ektralite line, for example) to shake up departments the way Kodak did with its instant camera.

Thirty-five-millimeter cameras continue to grow in popularity both among consumers and discounters. But few discounters report carrying models that retail for more than $300—and most keep price points in the $200 range. Two Guys is one of the few discounters carrying a full line of 35mm cameras, including 15 sku's of single lens reflex models.

Future profitability, of course, is harder to predict.

Some discounters fear that renewed gasoline rationing will kill vacation travel and the picture taking it inspires. Others reason that inflation will erode discretionary income so badly that consumers will eventually give up nonessential purchasing.

Instant cameras, long a discount store staple, remain an active ingredient in the photo department mix. T.G. & Y., Oklahoma City, keeps a full stock of instants on the sales floor.
(DSN photo)

In the meantime, however, sales in the category remain strong and profitable, despite the highly competitive nature of the merchandise.

According to DSN's annual census, in 1979 $2.2 billion in sales were rung up in discount store photo departments, accounting for 4% of total industry volume. This was a 16% increase in volume over the year before. Department sales on a per-store basis increased by 10% to $302,780.

The photo department's ability to draw customers—particularly with low-cost photo finishing—to some extent offsets discounters' concern about stocking products with such a low dollar return per unit. (Last year, overall department margins averaged 17%, although photofinishing margins hovered at the 30% mark.)

To further protect the bottom line, discounters are putting more accessories—camera bags, tripods, straps and gadgets—on their shelves. Hardware accessories, however, like lenses and flash attachments, are often as footballed as

(Continued on page 23)

While catalogers like Service Merchandise, Fishkill, N.Y., have increased their selection of accessories to boost margins, discounters suspect that recent price hikes will force showrooms to alter their giveaway price strategies.
(DSN photo)

Discounters Top $2 Billion in '79, Up 16%; Use of Lessees Down Sharply in Decade

Last year, discounters' photo department sales topped $2 billion—a 16% increase over the previous year—evidence that the decision by 91% of the country's discounters to own and operate their own departments was paying off. In 1970, only 63% of the chains were running their own photo departments.

While department turns and margins have remained fairly constant over the past decade, sales per square foot have more than doubled. Dealers attribute this improvement to the addition of more sku's of high-profit accessories and to increased consumer demand for photo finishing which carries margins of about 30%. This improved performance coincides with a shrinking sales floor. Discounters decreased their spatial commitment to the category by more than 20% over the last 10 years.

	1970	1974	1975	1976	1977	1978	1979	10-year change	5-year change	'78 vs. '79
Dept. Size (sq. ft.)	850	756	985	765	710	660	670	−21.2%	−11.4%	+1.5%
Annual Turns	3.2	3.5	5.2	3.5	3.7	3.7	3.6	+12.5%	+2.9%	−2.7%
Volume per sq. ft.	—	$210	$245	$337	$368	$417	$452	—	+115.2%	+8.4%
Initial Markup	22%	23%	25%	23%	23%	23%	23%	+4.5%	NC	NC
Gross Margin	21%	18%	21%	18%	18%	17%	17%	−19.0%	−5.6%	NC
Company Run	63%	86%	85%	90%	91%	91%	91%	+44.4%	+5.8%	NC

NC-no charge

Source: DSN Research

Catalog Showroom Census

Biggies to Get Fatter as Number of Operators Slims

By Arthur Markowitz

There's going to be fewer catalogers, but stronger ones.

The net result is that the industry will continue to show strong growth, hitting $8 billion this year, up about 15% from $7 billion last year, according to DSN estimates.

The top three dozen chains—those with $16 million and over in volume—will account for an estimated $4.7 billion, or about 59% of the volume.

DSN last year tracked 27 catalogers with $16 million and over in sales and they accounted for $3.8 billion or just over 54% of the industry's total volume.

A sharper indicator of the trend toward the top chains capturing a greater share of the industry's volume can be seen in a comparison of the sales of the six leading catalogers. DSN estimated they will do $3.2 billion in their current fiscal year, up 18.5% from an estimated $2.7 billion.

The contraction under way in the industry includes about a dozen Dahnken franchisee members closing down shop, joining about another two dozen small companies that have either shut their doors or reverted to their jewelry store or tobacco distributor roots.

Corr-Williams, a privately held tobacco distributor that had seven small showrooms in Mississippi and Louisiana before cutting back to just one, exemplifies the contraction.

One executive explained: "We were too small and we faced too strong competition; H. J. Wilson just overwhelmed us."

He asserted that "our catalog prices averaged 5%-10% less than Wilson, but we couldn't carry $1 million in inventory in our 2,500-sq.-ft. units as Wilson did in its larger showrooms."

Wilson, he added, "got there first with the larger showrooms; we could have switched to larger units if we had several million dollars, but we don't."

Wilson is No. 4 among catalogers in volume. But the stronger cataloger doesn't have to be as large as Wilson to impact smaller chains.

Two-unit Key Distributing plans to open in North Huntington, Pa., to get out of the highly competitive Pittsburgh market where it has one showroom that has to face Basco, David Weis, J. Dalhkemper, Catalog Discount Sales, and Towers, chains whose volume ranges from $100 million down to $16 million.

Getting out of the business is one way the catalog industry is contracting. The other method that could spread is acquisition of smaller chains. (Modern Merchandising bought Dolgin's and Leeds in the last two years and Service Merchandise took over Value House in 1978.)

While catalog executives agreed that acquisitions were a quick way to grow and get into new markets, no one expected to see any major takeovers this year.

A Best executive asserted: "The

(Continued on page 42)

More Chains Meet Competition With Different-Price Editions

Nationwide DSN Report

Catalogers are stepping up their use of differently priced versions of their main book, as competition among them heightens, and a growing number of chains open showrooms in the same markets.

The catalogers already using differently priced editions include the industry's top five chains—Service Merchandise, Best, Modern Merchandising, H. J. Wilson, and Ardan—along with Consumers Distributing, Naum and Century House.

Most of the catalogers declined to discuss the fact that they issue different editions of their book because they don't want their competition to know this, nor do they want competitors to get copies of the various versions to check out their pricing program.

But the Big Three—Best, Service and Modern—have readily acknowledged that they use different editions, with the markets served by each version easily identified in the case of Best and Modern.

Executives of the three chains each cited competition as the reason for using different editions. A Best executive explained that the different editions "give us margin flexibility to meet competition by allow-

(Continued on page 44)

36 Top Catalogers to Do $4.7 Billion in Sales for Year, Up 19.5%

Chain (and its coordinator)	Showroom $ biz [millions] Estimated current fiscal year	Showroom $ biz [millions] Last completed fiscal year	$ Net [millions] last fiscal year	Showrooms As of Jan. 1. 1980	Showrooms As of July 1. 1980	Showrooms As of Dec. 31. 1980	Showrooms To open in 1981
Service Merchandise (Tenn.) (Independent)	900	729.0	N.A.	101	103	115	16
Best (Va.) (Creative)	840	699.2	26.6	74	79	87	15
Modern Merchandising (Minn.) (Creative)	760	650.0	N.A.	72	73	79	12
H. J. Wilson (La.) (Independent)	315	255.0	N.A.	46	48	55	9
Ardan (Iowa) (Creative)	220	180.0	N.A.	44	44	60	N.A.
Jewelcor (Pa.) (Jewelcor)	185	168.0	N.A.	31	31	32	3
Consumers Distributing (N.J.) (Independent)	185	150.0	N.A.	87	90	100	20
Century House (N.Y.) (Independent)	135	110.0	N.A.	58	60	65	5
Basco (Pa.) (Creative)	100	81.9	0.7	12	12	14	3
Sam Solomon (S.C.) (MAI)	100	88.2	N.A.	11	11	11	3
W. Bell (Md.) (Independent)	98	79.5	1.8	12	12	13	2
Naum (N.Y.) (Creative)	80	70.0	N.A.	17	18	22	N.A.
L. Luria (Fla.) (Mutual)	75	54.4	2.7	16	16	19	3
McDade & Co. (Ill.) (MAI)	60	50.0	N.A.	6	6	7	1
Ellman's (Ga.) (Independent)	56	50.7	1.3	6	6	7	N.A.
David Weis (Pa.) (MAI)	50	45.0	N.A.	13	13	13	2
State Wholesale (Ohio) (MAI)	40	37.0	N.A.	7	7	8	2
Masters Mdsng. Mart (Fla.) (Creative)	38	28.0	N.A.	19	21	26	4
Brendle's (N.C.) (MAI)	35	30.0	N.A.	11	12	13	N.A.
Boardman's (N.Y.) (Independent	34	31.0	N.A.	15	16	16	N.A.
MacDonald (Ohio) (MAI)	32	30.0	N.A.	9	9	11	2
O. G. Wilson (Tex.) (Paul Schultz)	31	29.0	N.A.	13	13	15	3
Towers (N.J.) (Creative)	30	23.0	N.A.	7	7	9	3
A. J. Foland (Mich.) (American)	26	25.0	N.A.	4	4	5	1
Golbro (Ala.) (Charter)	25	20.0	N.A.	4	4	4	1
Tepe (Mich.) (Creative)	24	21.0	N.A.	8	8	8	N.A.
Grand Distributing (N.J.) (Schultz)	21	20.0	N.A.	7	7	7	0
Brand Name (N.Y.) (Independent)	20	18.0	N.A.	10	11	11	N.A.
J. Dahlkemper (Pa.) (Creative)	20	16.0	N.A.	5	5	5	2
Hartman's (Calif) (Independent)	20	18.0	N.A.	9	10	11	2
Key Distributing (Ga.) (Creative)	20	18.0	N.A.	7	7	8	1
Present (N.Y.) (MAI)	19	17.0	0.09	9	9	9	1
R&R (Mass.) (American)	17	15.0	N.A.	6	6	6	N.A.
Alexander (S.C.) (Charter)	16	14.0	N.A.	5	5	5	N.A.
Catalog Discount Sales (Ohio) (Jewelcor)	16	14.0	N.A.	5	5	6	1
Fred Gattas (Tenn.) (MAI)	16	14.0	N.A.	4	4	5	N.A.

(Some figures are DSN estimates)

N.A.—Not available

Catalog Showroom Census

Coordinators' Membership Fairly Stable Despite Two Major Switches

Nationwide DSN Report

The dissolution of the approximately 50-member Dahnken franchise group has resulted in a major switch of showroom operators in what is otherwise expected to be a fairly stable membership year for catalog coordinators.

Another major change was the decision of Associated Catalog Merchandisers to use a special edition of the Jewelcor group's book, rather than publish its own catalog for its 65 members.

Other switches have involved one or two members leaving one group to join another. The number of showroom operators moving around has been low. However, a top executive of one coordinator asserted that the changes involve a lot of business as Creative Merchandising gained one member while Merchandisers' Association Inc., gained two.

These two coordinators are the leading groups in the industry, publishing large catalog geared for high-volume showrooms.

The fairly stable membership parallels the stable merchandising planned by coordinators as they seek to hold down changes in sku's and thereby enable members to better project their inventory costs.

Getting a handle on inventory costs has become a prime objective among showroom operators; they faced interest costs bucking 19%-20% at presstime.

The merchandise lines being augmented by catalogers include modular furniture, hardware and automotive.

A Creative Merchandising spokesman noted that some members had reported strong sales for modular furniture. An executive with State Wholesale (an MAI member) explained that consumers weren't moving into new homes and therefore were more interested in refurbishing their current homes or apartments with this low-cost furniture.

Hardware and automotive are the two key hard line categories not yet fully exploited by catalogers, particularly operators of large showrooms that have the space.

Paul Schultz Catalogs, for example, will offer a hardware and automotive section as an optional area for members that run larger showrooms. Sam Solomon (MAI), Best (Creative) and Service Merchandise (independent) are among a number of catalogers that have expanded their hardware and automotive mix, including offering such low-price, not-in-catalog items as replacement pellets for glue guns.

As for the shifts of members, about two dozen former Dahnken operators have formed the Dahnken Catalog Association and will be using a modified version of the American Merchandisers book as their 1980-81 catalog.

Switch Allegiance

The two former Dahnken members that had units in Hanover, Pa., and Rochester, N.Y., have joined American. Four members that had units in San Pedro, Ventura, Oxnard and Napa, Calif., have signed on with George Associates while the member in San Carlos, Calif., has affiliated with Paul Schultz.

A few other ex-Dahnken members are still considering their move, and about a dozen have decided to leave the catalog showroom business.

Other major switches include Towers going to Creative from Jewelcor while MAI picked up MacDonald from Jewelcor and Wilkor Jewelers from the Charter group.

Jewelcor, besides publishing a modified version of its basic book for the Associated Catalog Merchandisers group, picked up Brand Distributors from American while Charter added Sam Gold from American.

Flagg's Distributing, formerly a Paul Schultz member, joined George Associates as did Bingham's, which had opened its first showroom in Salt Lake City.

Paul Schultz added Lady Lee Wholesale, formerly an Associated Catalog Merchandisers member, and Marketplace of Alaska, which has opened its first unit in Anchorage. In a one-year test, Schultz has provided some nonjewelry pages to Sterling Jewelry as well as its regular membership services.

One coordinator executive explained that it can take a cataloger as long as 18 months to sell off the items used by one group when the operator switches to another coordinator. He added that this consideration has become a factor for showroom operators, especially in view of the uncertain economy and the high interest rates they have to pay for the dollars tied up in inventory.

Another coordinator executive asserted that most groups offer similar membership services so that a cataloger has to have a compelling reason to switch, such as opening larger showrooms and wanting a book that will support the anticipated greater volume.

Biggies

(Continued from page 39)

job of integrating another company into your own operation is expensive and time consuming; the takeover could result in lower profits. You probably would have been better off opening your own units."

A David Weis executive added: "Because of the cost of money and debt-service expenses, there aren't that many catalogers available that are making enough to justify their being acquired."

Agreeing, a Modern Merchandising spokesman explained that cataloger stocks are depressed because of the market. Therefore, "you would have to use cash, but money costs too much. I don't see any acquisitions unless you could buy someone at only two or three times earnings."

The top 36 chains had 770 units at the start of 1980; DSN estimates 117 more will be added this year, a 15.2% gain to 887 units. Another 117 units are the minimum projection for 1981.

Service Merchandise, No. 1 in units, plans to gain 14 showrooms; last year it added 18. Best sees 13 new units, the same as in 1979, while Modern Merchandising will gain seven, half of last year's increase.

H. J. Wilson is eying nine new showrooms on top of nine openings in 1979, while Ardan added 14 last year and could open 14 to 20 this year.

Consumers Distributing plans to add at least 13 and could hit 25; last year it opened 17.

Other catalogers poised for major growth include Century House and Masters Merchandising Mart, each with seven debuts projected.

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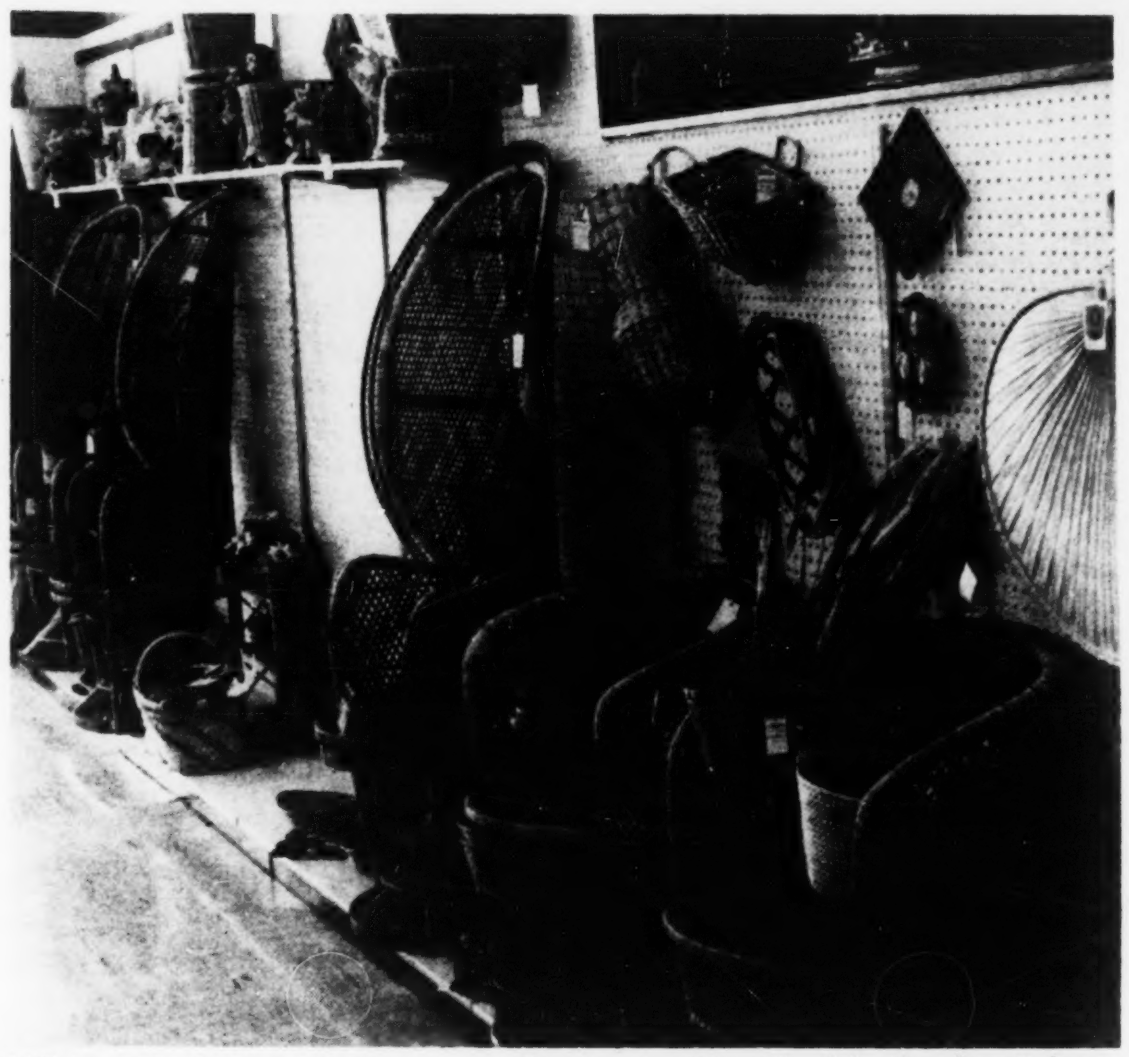

Wicker chairs are shown on a display wall just inside the front door, one of the new merchandising techniques adopted by the first Maxway, which opened in Sandersville, Ga. (DSN photo)

1st Maxway Unites Rural Tradeup With Various Chains' Approaches

SANDERSVILLE, Ga.—The new Maxway discount department store here looks a little like Wal-Mart, a little like Target and a lot like Jamesway—with just a hint of a variety store thrown in.

Maxway, a new venture of Macks variety stores (headquartered in Sanford, N.C.), isn't an imitation of any of those chains; in fact, Jamesway was never visited during the planning process. It is a synthesis of Wal-Mart's successful small-town basics approach and Target's equally successful suburban upscale approach, designed to bring upscale merchandise (microwave ovens, air-conditioners, wicker home furnishings, Arrow men's shirts, ladies' Levi's) into small population centers where Maxway can be the only store in town—or at least, the most complete store in town.

Rural and small-town basics (work clothing, a full garden shop, heavy duty garden machinery, guns, pickup truck accessories) are an important part of the mix. Feature tables and aisles also play a major role.

The variety store heritage is also evident. The Sandersville unit replaces an 11,000-sq.-ft. Macks store in the same strip

(Continued on page 6)

Discounters Respond to Carter, Scrutinize Credit-Card Setups

WASHINGTON—Discounters are scrutinizing their credit card programs in response to President Carter's recent call for tighter controls on consumer credit.

"Our attorneys are currently studying the usury law requirements in each of the states where we have stores," said Richard Baum, Woolco's director of retail credit. "At the same time, we are studying our computer needs to learn how long it will take us to implement any changes."

However, he noted: "Our efforts today are to have our customers pay by cash." The credit director added that Woolco's policy is to first emphasize cash payment, then promote its layaway program and after that its credit.

Only 10% of Woolco's sales are derived from credit card purchases, according to Baum.

While most discounters' reactions were supportive of the President, those who would be making credit program changes said they would wait until the guidelines were more clearly defined before making any moves.

At T.G. & Y , Harold Plunk, senior vice president of administration, told *Discount Store News*: "We don't have our own credit program and bank cards make up a small percentage of our sales. We do not anticipate any negative impact due to credit restraints."

Still, Plunk said, he found it "encouraging to have the President take a positive approach to economic conditions."

A spokesman at the National Mass Retailing Institute reported that it was too soon after the President's talk to get a consensus of what member chains would be doing to comply.

At the Association of General Merchandise Chains, president Edward T. Borda pointed out that most of the association's members do not have extensive credit programs. He agreed with those discounters who said they were waiting to learn the details of the Administration's new program before deciding what steps to take.

Jack Shewmaker, president of Wal-Mart, noted that "the effect on our business won't be great because we don't have our own credit program."

(Continued on page 5)

Kossar Ousted at Vornado; Karch Seen as Successor

GARFIELD, N.J.—Frederick Zissu, chairman of the board and ceo of Vornado, has ousted Bernard Kossar as president and chief operating officer.

At presstime, Seymour Karch, the retired president of Modell's Shopper's World, was the successor reportedly tapped by Zissu to oversee operation of the company's financially troubled Two Guys chain.

(While the price of Vornado stock did not drop significantly at the time of the announcement, its shares had been given a C rating by Standard and Poor's, and the word circulating among analysts was "not to buy," according to one Bache, Halsey broker.)

The decision to replace Kossar, who was president for just 16 months, comes at a time when the 60-unit Two Guys chain is facing a takeover battle with Interstate Properties, a privately held real estate firm with a 17% interest in the New Jersey-based operation.

Kossar's seat on the board of directors is one of three seats to be filled at this year's stockholders meeting.

Prior to last year's annual meeting, Interstate announced its intention to gain control of the board and then to sell off all or most of the Two Guys stores located outside of New Jersey. Cash from those sales, Interstate spokesmen said, would be distributed among the stockholders, as well as used to shore up Vornado's remaining operations.

A fierce proxy battle followed that announcement and Interstate successfully unseated three Vornado-backed board members at the annual meeting

(Continued on page 7)

Fed-Mart's Gundlach Plans Changes; 2nd Qtr. Better

Discount Store News *published an analysis of the operations of FedMart in a recent issue, focusing on its problems in nonfood merchandising, personnel management and profitability. In this followup article, DSN's Los Angeles bureau chief gets the response from FedMart president Heinz Gundlach.*

By Susan Warner

SAN DIEGO—"In retrospect," Heinz Gundlach, FedMart president, said, he should have "more strongly advised against the purchase" of what he now calls "the ugly duckling" chain.

Gundlach and principal shareholder Hugo Mann both recognized when FedMart was purchased that turning the operation around was going to be a tough job.

"We realized we had not bought the greatest retail company on earth," Gundlach said. What they didn't know until after the purchase was that FedMart was in far worse shape than they had imagined.

"Every corner we looked into was a disaster," Gundlach recalled. In fact, out of sheer frustration in late 1976 he and Mann evaluated whether to sell FedMart, liquidate it, merge it into a larger operation or acquire smaller chains.

Despite FedMart's rocky four-year history since its purchase in 1975, Gundlach is now more convinced than ever that "the ugly duckling" can be transformed into a retail swan.

This renewed optimism stems from a variety of factors:

- Second-quarter figures show a marked improvement over first-quarter results.
- Warehousing, especially for apparel, is now recognized as a necessity. (This is a departure

(Continued on page 82)

as advertised

FedMart's apparel departments—shown here in the Kearney Mesa, Calif., store—produce approximately 11% of store volume, 20% where section was enlarged. (DSN photo)

Alleged by Paper

Jamesway Denies Employees Shook Down Pilferers

SECAUCUS, N.J.—Jamesway officials denied published allegations that any of its security personnel improperly pressured suspected shoplifters into repaying the chain large amounts of money.

The Trenton, N.J., *Times*, in a copyrighted article, accused Jamesway of extorting inflated sums from shoplifting suspects and allegedly dishonest employees. The newspaper identified Eric Zorn, Jamesway's vice president for security, as the guiding force in a program of intimidation of suspects to force them to sign false confessions.

Jamesway chairman Herbert Fisher replied that the chain "does not condone or practice extortion; it merely seeks to recoup losses suffered from actual theft."

(Continued on page 7)

Added to Top Management Compensation Packages in Last 2 Years

Dental Insurance, Pension Plans Perk Up Brass' Perks

NEW YORK—Dental insurance and pension plans were among the most popular nonsalary benefits added to top management compensation packages during the last two years, according to the recent (biennial) report on Executive Perquisites issued by the National Mass Retailing Institute.

Twenty per cent of all discount chains responding to the NMRI's perquisite census (three-quarters of its membership) said they had made pension plans available to their president and ceo's since 1977. Eighty-seven per cent of the responding chains now offer their top managers pension plan benefits.

Thirty-five per cent of the responding chains now offer their top people dental insurance compared to 19% in 1977.

The other most-often added perquisites involved the use of a company car and travel allowances.

Eighty-four per cent of the responding chains are now making company cars available to their top executives for business purposes, a 13-percentage-point increase, while 62% of the companies loan cars to their presidents and ceo's for their personal use.

When it came to travel, the number of chains allowing their top people to travel first class more than doubled to 37%, and the number of companies extending company credit cards to traveling execs rose to 73%, up from 55% in 1977.

As the report points out, "the turmoil in the economy seemed to have little effect upon the perquisites given [top] retailing employees."

Lower echelon field managers, however, did not fare as well. In 50% of the perquisite categories listed, chains reported cutting back on the nonsalary compensation they once offered.

While half the chains polled in 1977 said they paid the medical coverage for the family of regional and other field managers, only 45% of discount chains were doing so in 1979.

Only 18% of responding discount operations now offer their top regional and field managers stock options, down from 39% in 1977. Also reduced was the number of chains reimbursing their field managers for tuition expenses: 27% in 1979, compared to 33% in 1977.

The areas in which field managers were able to add to their compensation were similar to those offered their top-ranking bosses: Pension plan coverage increased from 64% to 78% of the chains.

Dental coverage also improved. Thirty-one per cent of the responding discounters—as opposed to 10% in 1977—now offer field managers dental insurance.

Also on the increase was the number of companies putting cars at the disposal of managers in this group. Sixty-two per cent of the discount chains loan cars for company business (up from 48%) and 21% loan cars for personal use (up from 17%).

Other management groups cited—company officials, senior, general, merchandising and store managers—were able to hold onto most of 1977's compensation gains while earning new benefits in 1977.

Copies of the study are available for $25 to members and $35 to nonmembers from the NMRI, 570 Seventh Ave., New York, N.Y. 10018.

DSN's Parent Opens L.A. News Bureau

LOS ANGELES—Lebhar-Friedman Inc., parent corporation of *Discount Store News*, has opened a news bureau here servicing its several business publications.

Bureau manager and DSN's West Coast reporter is Susan Warner, a graduate of the Newhouse School of Journalism at Syracuse University. Warner started with another Lebhar-Friedman publication, *Chain Store Age* magazine, Executive edition, in 1978 as an associate editor. Prior to that, she had worked as a reporter and photo editor for daily newspapers in Connecticut.

The news bureau is located at 606 North Larchmont Blvd., and the telephone number is 213-464-8321.

Susan Warner
Bureau Mgr., Los Angeles

Wal-Mart Leaps Over $1 Billion

BENTONVILLE, Ark.—Wal-Mart crossed the billion-dollar mark in fiscal 1979, finishing the year on Jan. 31 with $1,248,176,000 in sales, a 39% gain over the previous year.

Net income rose 40% to $41,151,000, and earnings per share rose from $1.93 to $2.68.

Andy Rooney to Speak at NMRI Parley Kickoff

NEW YORK—The National Mass Retailing Institute will hold its annual convention in New Orleans May 10-14.

Kicking off the four days of events will be a banquet on Saturday evening, May 10. Andy Rooney of CBS' "60 Minutes" will be the featured speaker. Earlier that day, at the Sports' Luncheon, Willie Mays will be the guest speaker.

On Sunday, May 11, Howard Jarvis and Morley Safer will keynote a general session on "Taxes and Tax Relief." Richard I. Hersh, president of the NMRI will moderate.

Jazzman Pete Fountain and the Olympia Marching Band will be the banquet headliners on Tuesday evening May 13.

Other feature events on the calendar (rooms to be announced later) include:

Monday, May 12 (9:00 to 10:30 a.m.) Howard Davidowitz of the accounting firm of Ernst & Whinney will address a general session on "The 80's, a Time of Change: What's Happening in Retailing *Today* will Affect Your Bottom Line *Tommorow.*"

Monday, May 12 (10:45 a.m. to noon): "Optimizing the Buyer's Time: Making a Buyer More Effective."

Speakers: Arlie Lazarus, Jamesway; Steven Goldberger, Hills; Richard Schott, Merchants Buying Syndicate, and George Jeffers, Cook United.

Monday, May 12 (10:45 a.m. to noon): "Energy Sources/Fighting Energy Costs."

Speakers: Edmund M. Peck, consulting engineer for T.G. & Y.; Department of Energy speaker (to be announced).

Monday, May 12 (10:45 to noon): "Combo Stores."

Speakers: Allen Bud Levis, Allen Levis Organization Inc.; Vince Vayda (moderator), American Greetings.

Monday, May 12 (3:45 p.m. to 5:00 p.m.): "New Developments in Replenishment Methods—Soft and Hard lines."

Speakers: Malcolm Sherman, Zayre; Lewis Busico, Clover, and James Hyman, Bradlees.

Monday, May 12 (3:45 p.m. to 5:00 p.m.): "Shrinkage Control and Security in the Mass Merchandising Industry."

Speakers: Errol Cook, Arthur Young & Co.; Eric Zorn (moderator), Jamesway.

(Continued on page 63)

Spotlight on: Up-and-Coming Category

More Discounters Carry Luggage

Discounters are increasingly adding luggage to their merchandise mix and often using platforms to achieve the effect of this display at Caldor, White Plains, N.Y.

Caldor gives luggage up-front prime real estate between photo and giftware. Other chains merchandise luggage with sporting goods or set it off from other hard goods.

Luggage offers high-margin, high-ticket sales, and smaller carry-on bags can turn fast. They are getting more space at the expense of three-, four- and five-piece sets.

In luggage, discounters are able to stand behind national brands (such as Samsonite and American Tourister), a luxury they don't enjoy in apparel.

Luggage, not surprisingly, appears to have the best acceptance by chains in metropolitan areas. (DSN photo)

In This Issue...

ANNUAL REPORT. DSN's exclusive Product Movement Audits wrap up the results for 1979. The top-moving products in key merchandise categories are tracked and the significance of purchasing trends is explored.

AUTOMOTIVE. The basics in this category will have to carry the load for discounters in 1980 as the sales of dress-up accessories slumped last year, a development expected to continue this year. (P. 35)

ELECTRIC HOUSEWARES. Practicality will be the key as consumers defer nonessential purchases in 1980. (P. 26)

H&BA. Bar soaps developed into a major dollar producer for discounters last year with deodorants also showing good gains. These products, with home permanents, promise to do well in 1980. (P. 64)

HARDWARE. To no one's surprise, home improvements, especially energy savers, were the hot products and will be for the foreseeable future. (P. 44)

HOUSEWARES. Novelty value, especially coupled with fashion, fueled this category in 1979. Unlike many other departments, trade-up products look strong here. (P. 18)

SPORTING GOODS. Family activities, lawn games, fishing, camping and similar pursuits, will continue to lead. (P. 66)

TOYS. Play value will be the key to merchandising toys. Consumers in 1979 showed they want that attribute in toys, whether low-ticket basics or expensive electronics. (P. 60)

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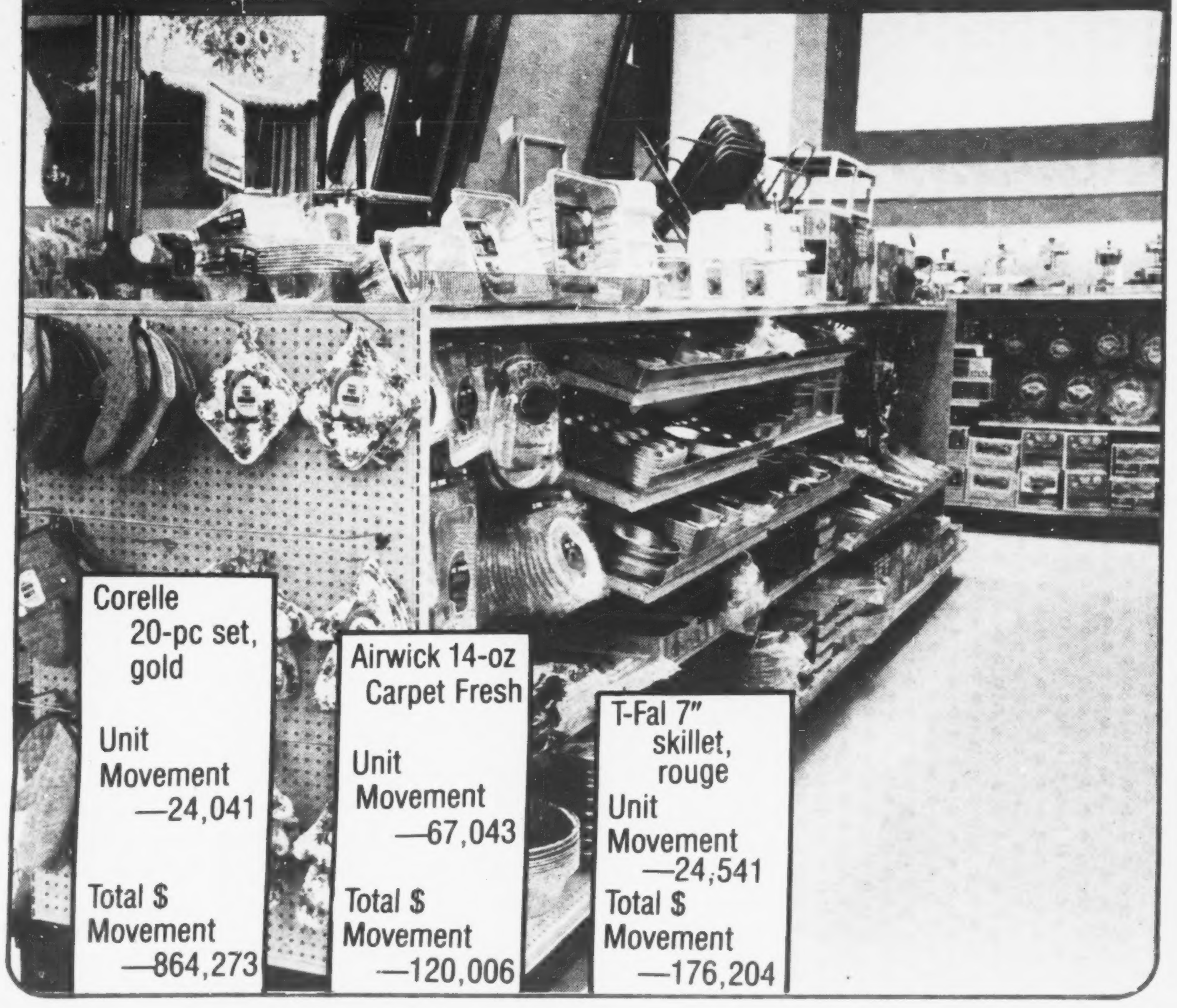
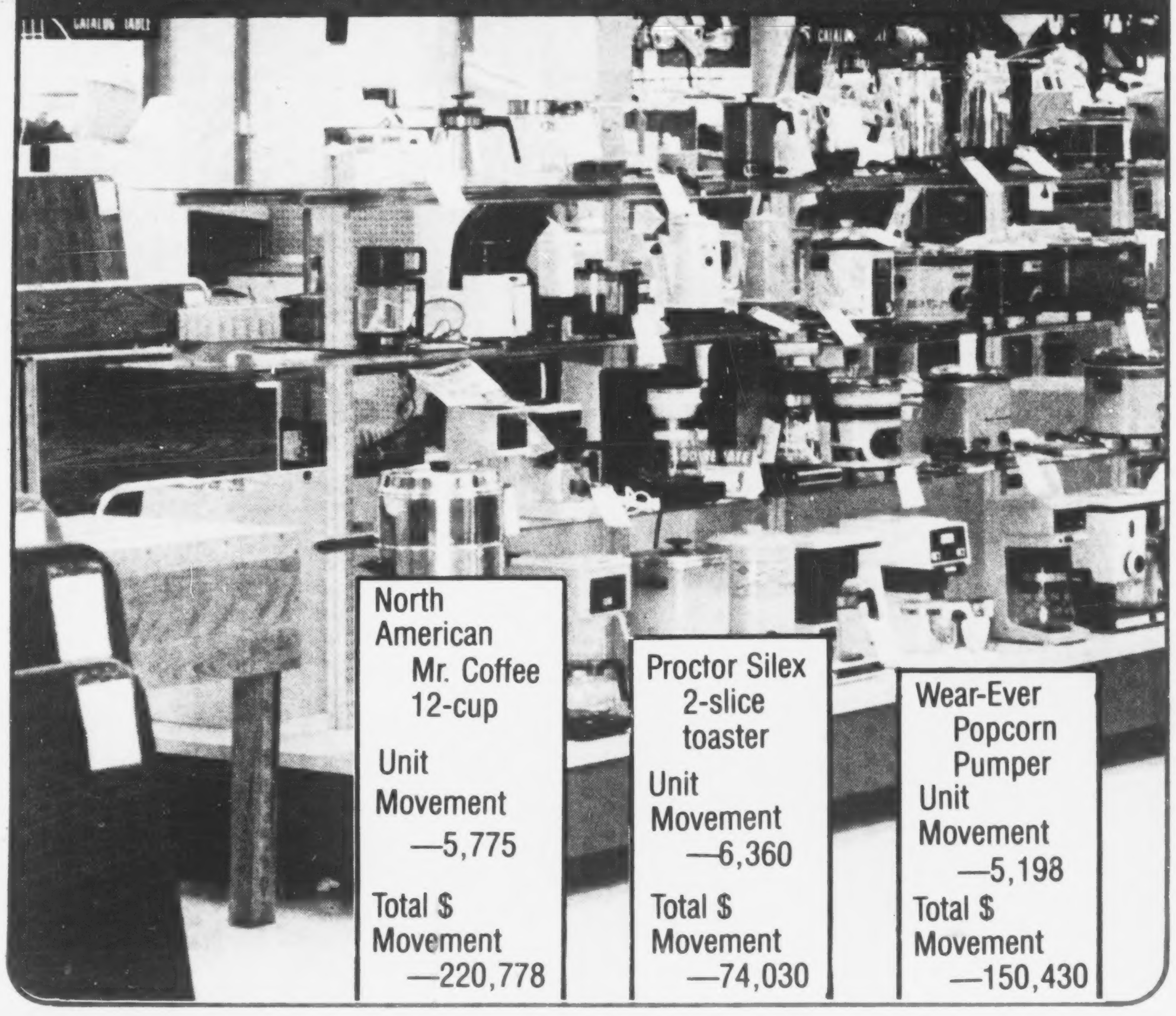
Vol. 19, No. 7 April 7, 1980

HOUSEWARES



	Unit Movement	Total $ Movement
Corelle 20-pc set, gold	—24,041	—864,273
Airwick 14-oz Carpet Fresh	—67,043	—120,006
T-Fal 7″ skillet, rouge	—24,541	—176,204

ELECTRIC HOUSEWARES



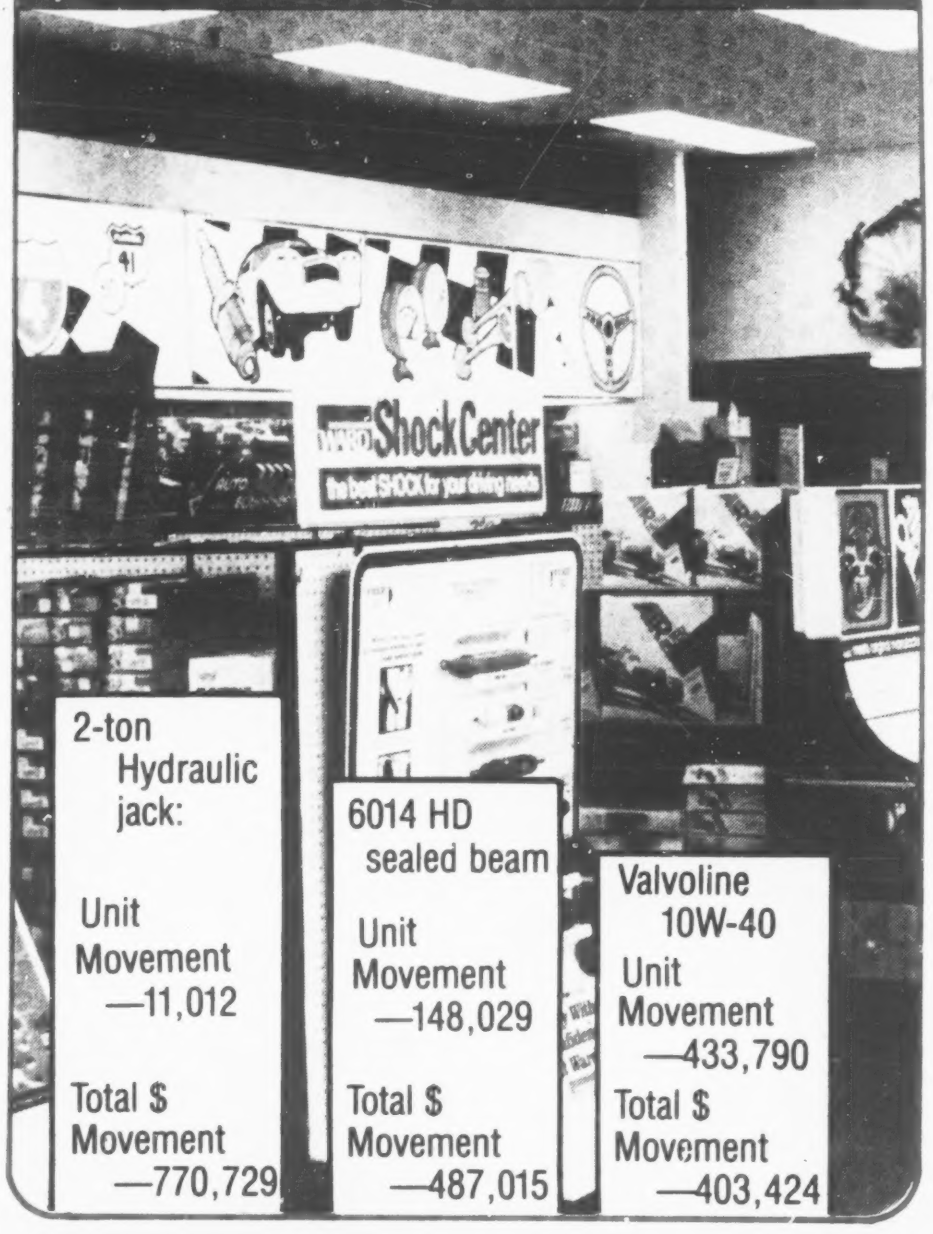
	Unit Movement	Total $ Movement
North American Mr. Coffee 12-cup	—5,775	—220,778
Proctor Silex 2-slice toaster	—6,360	—74,030
Wear-Ever Popcorn Pumper	—5,198	—150,430

6th Annual

Discount Store News ®
THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

Product Movement Audit

AUTOMOTIVE



	Unit Movement	Total $ Movement
2-ton Hydraulic jack:	—11,012	—770,729
6014 HD sealed beam	—148,029	—487,015
Valvoline 10W-40	—433,790	—403,424

The Sixth Annual *Discount Store News* Product Movement Audit provides a comprehensive look at the best-selling items and hottest trends in discounting during 1979: a catalog of fast-turning merchandise against which your chain's assortment can be checked.

As the cost of money skyrockets, and store size continues its downward movement, it becomes more and more important to fine-tune the assortment for maximum return on inventory investment.

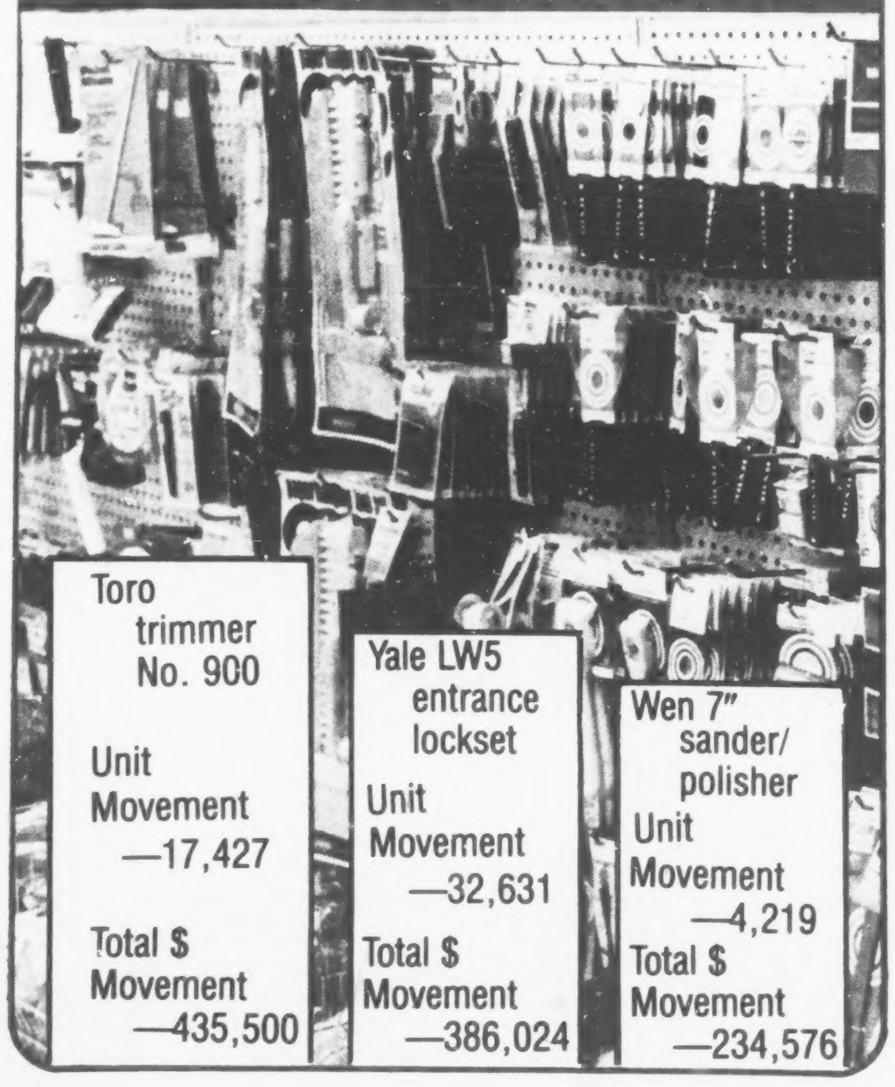
Keeping the fast-moving items that comprise the bulk of your business, deleting the slow movers and knowing when (and whether) to enlarge, intensify, reduce or eliminate product lines are vital to profitable operation.

DSN's Annual Product Movement Audit is one tool that can help you make those difficult decisions. The information is based on movement reports from wholesalers with general enough distribution in discount department stores to make the data typical, and with broad enough a geographical base to be meaningful to all chains.

HEALTH & BEAUTY AIDS

	Unit Movement	Total $ Movement
Zest 6-pk Special Bath	—128,240	—325,730
Crest reg. 7 oz.	—207,096	—314,786
Tampax Super 40's	—117,954	—280,731

HARDWARE



	Unit Movement	Total $ Movement
Toro trimmer No. 900	—17,427	—435,500
Yale LW5 entrance lockset	—32,631	—386,024
Wen 7″ sander/polisher	—4,219	—234,576

SPORTING GOODS

	Unit Movement	Total $ Movement
Coleman fuel gallon	—71,944	—287,776
Crosman BB/177 rifle	—2,140	—93,817
Zebco spincast reel	—4,844	—77,552

TOYS

	Unit Movement	Total $ Movement
Milton Bradley Simon	—25,000	—624,750
Parker Bros. Monopoly	—25,000	—149,750
Fisher-Price Play Desk	—9,000	—89,910

HOUSEWARES

Figures for these housewares PMA tables cover the calendar year 1979. They were supplied by Myron Nickman Distributors, a division of Cook United, Maple Heights, Ohio. Nickman covers 900 stores, including 125 discount department stores in the Midwest. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
TABLETOP					
1	6	Expressions 20-pc set, Wildflower	3,488	49.34	172,097.92
2	2	Corelle 20-pc set, gold	5,399	27.68	149,444.32
3	1	Corelle 20-pc set, green	4,984	27.71	138,106.64
4	4	Corelle 20-pc set, Woodland	4,414	27.76	122,532.64
5	3	Expressions 20-pc set, Ind Smmr	2,160	49.77	107,503.20
6	5	Corelle 20-pc set, blue	3,492	28.31	98,858.52
7	10	Expressions 20-pc set, Meadow	1,857	49.53	91,977.21
8	7	Corelle 20-pc set, white	1,903	27.10	51,571.30
9	8	Expressions 20-pc set, Blue Heather	648	49.77	32,250.96
10	11	Corelle completer set, gold	1,495	14.95	22,350.25
11	—	Pyrex Heritage candlestick set	1,824	11.34	20,684.16
12	12	Corelle completer set, green	1,256	14.92	18,739.52
13	15	Corelle 5-pc completer set, blue	1,136	14.97	17,005.92
14	19	Corelle completer set, Woodland	1,094	15.09	16,508.46
15	16	Corelle 5-pc completer set, white	1,122	14.29	16,033.38
GLASSWARE					
1	—	Anchor Hocking 24-pc st, Nwprt gld	2,722	6.59	17,937.98
2	7	Libbey 6½-oz tall wine, Citation	3,402	3.36	11,430.72
3	5	Libbey 6½-oz red wine, Citation	3,030	3.33	10,089.90
4	—	Anchor Hocking 24-pc st, Nwprt crstl	1,447	6.57	9,506.79
5	6	Libbey 10-oz goblet, Citation, 4-pk	2,778	3.35	9,306.30
6	—	Libbey 6" ash tray, gold	8,640	1.04	8,985.60
7	—	Libbey, 16-oz cooler, Gold Aster, 4-pk	3,372	2.44	8,227.68
8	15	Libbey 12-oz beverage, Harvest Time	1,824	4.47	8,153.28
9	—	Libbey 16-oz brandy snifter	1,542	5.10	7,864.20
10	—	Libbey 16-oz clr, Gld Cntry Grdn, 4-pk	3,060	2.48	7,588.80
11	17	Libbey 12-oz beverage, Grasses, 8-pc	1,674	4.45	7,449.30
12	9	Libbey 6½-oz sherbet, Citation, 4-pk	2,082	3.32	6,912.24
13	13	Libbey 12-oz beverage, Pueblo, 8-pc	1,644	4.07	6,691.08
14	14	Libbey milk bottle	632	10.51	6,642.32
15	12	Libbey 1-oz cordial, Citation	1,860	3.39	6,305.40
COOKWARE					
1	—	Wear-Ever 10" saute pan	6,743	10.44	70,396.92
2	—	Wear-Ever 8" saute pan	7,580	6.52	49,421.60
3	—	Wear-Ever 12" saute pan	3,236	10.88	35,207.68
4	—	Wear-Ever square griddle	4,012	8.72	34,984.64
5	—	Wear-Ever 10" fry pan	2,787	11.28	31,437.36
6	6	Ekco oblong cake pan, Baker's Secret	10,272	1.93	19,824.96
7	3	Ekco 1" dp Baker's Secret cookie sht	8,988	2.18	19,593.84
8	7	Chilton 12-qt stock pot	2,255	6.80	15,334.00
9	8	Columbian large roaster	2,196	6.71	14,735.16
10	2	Chilton 10" fry pan, nonstick	4,296	3.42	14,692.32
11	—	Columbian 22-qt canner	1,590	9.10	14,469.00
12	14	Ekco Baker's Secret roast pan	5,279	2.56	13,514.24
13	15	Ekco Baker's Scrt 12-cp mffn pn	5,676	2.37	13,452.12
14	5	Ekco 9-pc bakeware set	1,002	13.22	13,246.44
15	—	Columbian 12-qt sauce pot	1,860	6.92	12,871.20
GADGETS					
1	5	Rhodes timer, mini-minder	4,560	4.52	20,611.20
2	6	Swing-A-Way hnd cn opnr, chrm	7,992	2.56	20,459.52
3	—	Frigidaire ice cube tray	10,512	1.25	13,140.00
4	13	Swing-A-Way hnd cn opnr, jr prtbl	9,624	1.32	12,703.68
5	—	Ekco small nylon turner, black handle	9,066	1.25	11,332.50
6	—	Ekco sml nyln pnck trnr, blk hndl	8,892	1.23	10,937.16
7	14	Ekco paring knife	11,604	0.91	10,559.64
8	—	Ekco 13-qt mix bowl, stainless	1,086	9.38	10,186.68
9	—	Range Kleen 6" reflector bib	4,992	1.96	9,784.32
10	—	Range Kleen 8" reflector bib	4,140	2.35	9,729.00
11	—	Ekco can opener w/bottle opener	11,544	0.83	9,581.52
12	—	E-Z Foil oven liner	7,740	1.20	9,288.00
13	—	E-Z Foil electric burner bib	10,584	0.84	8,890.56
14	—	Foley measuring cup set	2,556	3.39	8,664.84
15	20	Ekco can opener w/bottle opener	12,887	0.66	8,505.42

(Continued on page 19)

Discount Store News

PMA®

6th Annual
Product Movement Audit

Newness, Style, Trade-up Spur Housewares Biz

The hot housewares that sold across the country last year reflected one or more of the following traits:

- Newness, with the item being introduced and heavily promoted by the manufacturer.
- Trade-up, with the product capturing a higher price point due to some feature such as nonstick for cookware or more sturdy plastic for garbage cans.
- Fashion, with the housewares offered in the latest almond or chocolate color.

In Agreement

These trends were evident in the 1979 annual Product Movement Audits reported by three major distributors located in different parts of the country—HalMar in the Northeast, Myron Nickman in the Midwest and Bacar on the West Coast.

A majority of the 150 items in the 10 classifications tracked in each report appeared on more

(Continued on page 19)

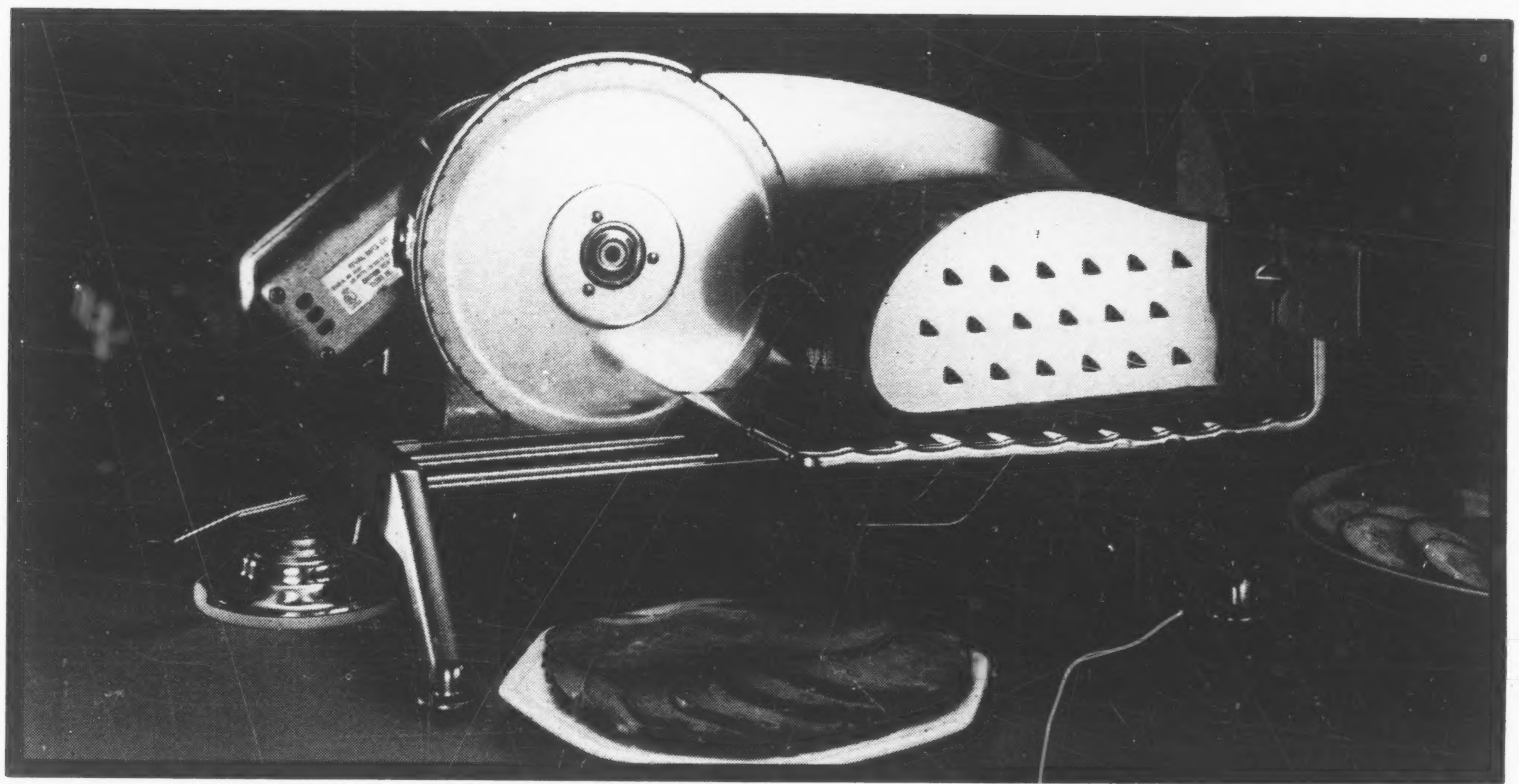
Fastest Movers In the Midwest

The chart below lists the top sellers as reported in the Myron Nickman Distributors 1979 annual housewares PMA and their ranking in the 1978 report, thereby showing merchandise changes during the period.

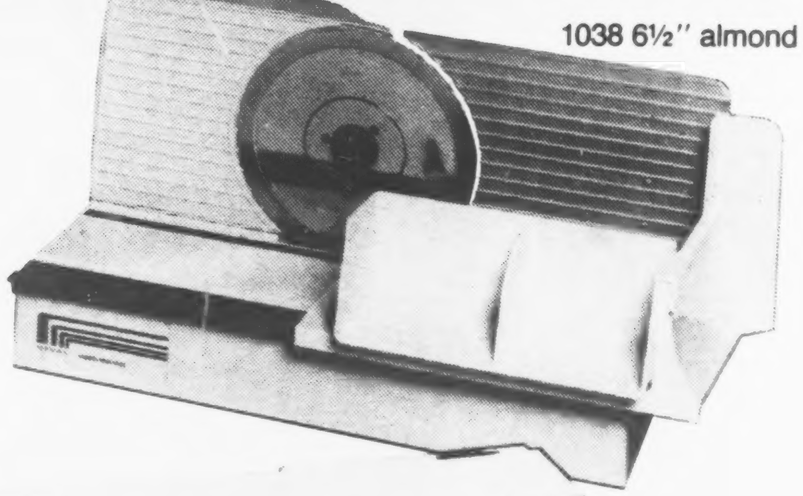
$ Rank 1979	$ Rank 1978	Category/Item
		TABLETOP
1	6	Expr 20-pc set, Wildflwr
2	2	Corelle 20-pc set, gold
3	1	Corelle 20-pc set, green
4	4	Corelle 20-pc st, Woodland
5	3	Expr 20-pc st, Ind Summer
		GLASSWARE
1	—	Anch Hock 20-pc st, Nwpt Gold
2	7	Libbey 6½-oz wn, Cttn
3	5	Libbey 6½-oz red wn, Cttn
4	—	Anch Hck 24-pc st, Nwpt Cyst
5	6	Libbey 10-oz gblt, Cttn
		COOKWARE
1	—	Wear-Ever 10" saute pan
2	—	Wear-Ever 8" saute pan
3	—	Wear-Ever 12" saute pan
4	—	Wear-Ever sq griddle
5	—	Wear-Ever 10" fry pan
		GADGETS
1	5	Rhodes timer, mini-minder
2	6	Swing-A-Way hnd cn op, ch
3	—	Frigidaire ice cube tray
4	13	Swing-A-Way hnd cn op, prt
5	—	Ekco am nyl turner, bk hndl
		PLASTICS
1	1	Lustro-Ware 24-gal trash can
2	—	Fesco 20-gal trash can, avoc
3	—	Fesco 32-gal trash can, avoc
4	6	Lustro-Ware 44-qt rect wst bskt
5	2	Lustro-Ware 12-gal cnt spng-tp

(Continued on page 19)

Slicer sales are up sharply. And Rival's got the edge.



1030 V 7½" chrome



1038 6½" almond

Rival is the number one brand in home food slicers, with more styles and sizes. And we have the consumer acceptance and recognition. With home slicing on the rise, and slicers moving faster than ever, it will pay you to stock Rival Slicers in depth.

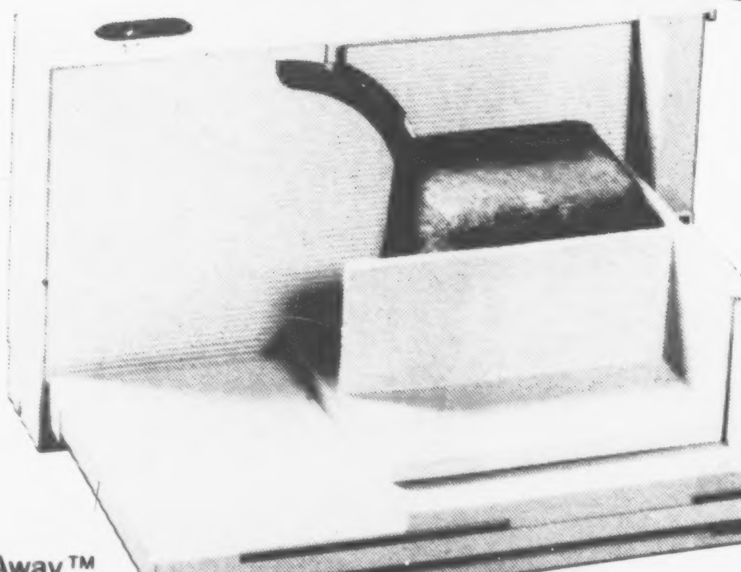
Home-sliced foods cost less. And food cooked and sliced at home is fresher and has that fancy catered look.

Our slicers do a professional-style job . . . on meat, cheese, cold-cuts, bread, fruit, vegetables. They adjust thickness from paper-thin to nearly 3/4" thick. The food trays carry the food smoothly into the blade, and they have safety features, too. The powerful motors do all the work, and the user has only to guide the food.

They have suction cups on the feet so the slicers do not slide around the counter when in use. And they come apart for easy cleaning.

We're featuring Rival Food Slicers in our biggest magazine schedule ever, with ads that tell your customers why our line is "unrivaled".

There's a great opportunity for you in slicers, and Rival gives you the edge in sales and profit. So stock in-depth from our high-demand exclusive chrome models to our new Fold-Away,™ the only totally self-storing fold-up.



New 1044 Fold-Away™

RIVAL FOOD SLICERS

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Discount Store News

PMA®

6th Annual
Product Movement Audit

Newness, Style Aid Housewares

(Continued from page 18)

than one PMA, with the hot sellers in such key areas as tabletop, cookware, bath shop, Rubbermaid, Corning Ware and Pyrex often showing up on all three audits.

The ubiquitous nature of many of the housewares denotes the degree to which manufacturer and retailer merchandising has made these products available, and accepted, by consumers in all parts of the country.

Figures Analyzed

Gadgets, plastics and cleaning-and-chemicals are the three classifications that feature basic consumables and which could show the greatest variation in items due to different regional lifestyles.

But even in these areas, there is a great commonality of products despite such regional differences as a Kellogg 14-in. patio broom, for example, showing up just on the Bacar audit for the West Coast where patios and outdoor living are more common than in other sections of the nation.

Up the Ladder

A closer look at the three reports and the traits that predominate showed the following:

In the tabletop report, Batik was the new design for Expressions dinnerware and Corning Glass' promotional support resulted in the design showing up

(Continued on page 20)

In the Midwest

(Continued from page 18)

CLEANING & CHEMICALS

1 — Airwick 14-oz Carpet Fresh
2 — Stick Goods 8" Roll-Matic mop
3 — Boyle 16-oz Woolite liquid
4 — Purex 147-oz detergent
5 11 Drackett 26-oz Drano

BATH SHOP

1 1 Ekco 18" towel bar, chrome
2 2 Ekco 12" towel bar, chrome
3 19 Selfix shampoo spray
4 6 Ekco toil tissue hldr, chrome
5 20 Selfix port shower spray

RUBBERMAID

1 1 Roughneck 32-gal container
2 2 20-gal Refuse cnt, avoc
3 4 Covered wastebasket, choc
4 5 Covered wastebasket, gld
5 — Ice cube tray, blue

CORNING WARE

1 6 Grab-It bowls
2 — Sidekick
3 1 Menu-ette set, Cornflower
4 — Microwave brown grill
5 10 6-cup Teapot, Wildflower

PYREX WARE

1 4 3-qt Oblong bake dish
2 13 6-cup Percolator
3 — 4-pc Mixing bowl set, gld
4 — 2-qt Serving pitcher
5 2 3-qt Oblng bk dh w/bsk

HOUSEWARES

(Continued from page 18)

PLASTICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Lustro-Ware 24-gal trash can	5,184	10.77	55,831.68
2	—	Fesco 20-gal trash can, avocado	10,158	5.46	55,462.68
3	—	Fesco 32-gal trash can, avocado	3,570	9.13	32,594.10
4	6	Lustro-Ware 44-qt rect wastebasket	6,900	3.70	25,530.00
5	2	Lustro-Ware 12-gal cntnr, sprng-tp	3,912	6.26	24,489.12
6	5	Lustro-Ware 11-qt heavy duty pail	14,520	1.51	21,925.20
7	3	Lustro-Ware 44-gal wastebskt, flip-top	3,936	5.03	19,798.08
8	—	Lustro-Ware 4-pc bw st w/cvr, ylw	6,912	2.56	17,694.72
9	—	Fesco 1½-bush octangle bskt, ylw	6,798	2.56	17,402.88
10	—	Fesco 1½-bush octangle bskt, grn	5,784	2.55	14,749.20
11	—	Lustro 1-bush round laundry basket	5,760	2.53	14,572.80
12	—	Alabaster dust pan	30,288	0.46	13,932.48
13	12	Lustro-Ware 1-gal decanter	8,016	1.71	13,707.36
14	—	Lustro 11-qt pail	12,252	1.11	13,599.72
15	—	Eagle 110-oz oblong food saver	11,615	1.15	13,357.25

CLEANING & CHEMICALS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Airwick 14-oz Carpet Fresh	67,043	1.79	120,006.97
2	—	Stick Goods 8" Roll-O-Matic mop	9,449	7.14	67,465.86
3	—	Boyle 16-oz Woolite liquid	49,332	1.26	62,158.32
4	—	Purex 147-oz heavy duty detergent	13,455	4.16	55,972.80
5	11	Drackett Drano 26-oz	32,340	1.72	55,624.80
6	—	Johnson 46-oz Future	16,440	3.37	55,402.80
7	—	3M 16-oz Scotch Guard	17,250	3.19	55,027.50
8	7	D-Con Four Gone, single pack	22,428	2.32	52,032.96
9	—	Drackett 32-oz Windex refill	49,980	0.92	45,981.60
10	14	Glamorene 24-oz Spray 'n Vac	23,974	1.90	45,550.60
11	—	Boyle 12-oz Woolite rug cleaner	24,886	1.79	44,545.94
12	—	Purex Brillo pads, 10-count	85,488	0.52	44,453.76
13	1	Johnson Lemon Pledge 14-oz	24,408	1.78	43,446.24
14	4	Texize Fantastic refill 64-oz	21,889	1.91	41,807.99

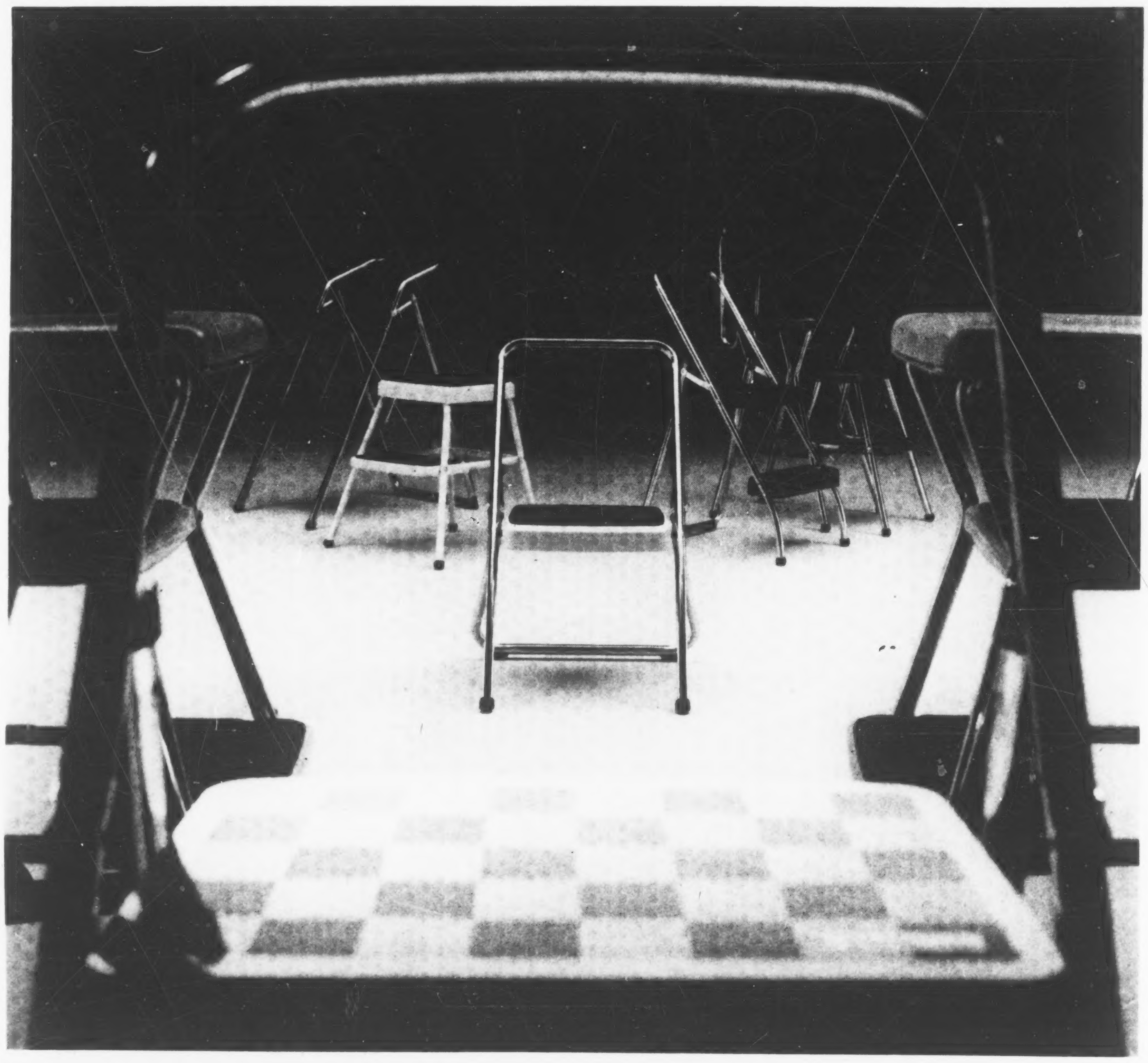
BATH SHOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Ekco 18" towel bar, chrome	9,853	1.37	13,498.61
2	2	Ekco 12" towel bar, chrome	10,122	1.26	12,753.72
3	19	Selfix shampoo spray	8,280	1.47	12,171.60
4	6	Ekco toilet tissue holder, chrome	7,782	1.36	10,583.52
5	20	Selfix portable shower spray	1,672	6.31	10,550.32
6	5	Ekco 24" twin towel bar, chrome	4,451	2.18	9,703.18
7	3	Ekco 24" towel bar, chrome	5,844	1.65	9,642.60
8	7	Selfix toilet tissue holder, plastic	9,455	0.94	8,887.70
9	14	Selfix 24" towel bar, plastic	6,166	1.29	7,954.14
10	9	Ekco 18" twin towel bar, chrome	4,062	1.95	7,920.90
11	15	Selfix twin hook, 2-pack	10,020	0.77	7,715.40
12	—	Ekco toilet tissue holder, chrome	6,205	1.20	7,446.00
13	12	Selfix 18" towel bar, plastic	6,406	1.15	7,366.90
14	—	Ekco 3-arm rack	5,664	1.29	7,306.56
15	—	Selfix 18" towel bar, Magic Circle	2,064	3.16	6,522.24

RUBBERMAID

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	32-gal Refuse container, Roughneck	5,884	15.46	90,966.64
2	2	20-gal Refuse container, avocado	6,161	8.05	49,596.05
3	4	Covered wastebasket, chocolate	4,482	4.86	21,782.52
4	5	Covered wastebasket, gold	4,008	4.82	19,318.56
5	—	Ice cube tray, blue	35,376	0.53	18,749.28
6	—	Deluxe dish drainer, orange	4,284	3.77	16,150.68
7	—	Deluxe dish drainer, chocolate	4,224	3.77	15,924.48
8	9	12" x 10" Shelf liner, white	16,452	0.95	15,629.40
9	—	Paper towel holder	9,429	1.64	15,463.56
10	—	Single turntable, sand	12,395	1.20	14,874.00
11	—	Twin turntable, sand	5,652	2.63	14,864.76
12	10	15¾" Drainer tray, gold	5,286	2.63	13,902.18
13	6	22"-high Covered wstbskt, avcd	2,940	4.70	13,818.00
14	—	10¾"-high Rect lndry bskt, choc	4,062	3.37	13,688.94
15	13	22"-wide Shelf liner, white	14,088	0.95	13,383.60
16	—	Deluxe dish drainer, avocado	3,510	3.77	13,232.70
17	—	11-qt Neat 'N Tidy bucket, chocolate	6,084	2.14	13,019.76
18	—	Deluxe dish drainer, almond	3,396	3.77	12,802.92
19	—	Bath mat, white	7,992	1.60	12,787.20
20	—	10¾" Sink mat, gold	8,322	1.50	12,483.00

(Continued on page 20)



Cosco's gone One Step™ further.

With the folding One Step.™ It's the latest addition to our full line of step stools. So it gives you more to offer. And sell.

There's a Cosco step stool for every job. And every budget. With chrome or enameled steel frames. Upholstered seats. And molded steps or molded-on treads that are as tough as any job.

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Discount Store News

PMA®

6th Annual Product Movement Audit

Newness, Style Aid Housewares

(Continued from page 19)

as No. 9 for HalMar, No. 10 for Myron Nickman and No. 16 for Bacar.

The Pyrex Captain's Lamp Un-Candle also debuted on the PMA, showing up on two charts, No. 11 (HalMar) and No. 18 (Myron Nickman). Floating candles as fashion accessories have more appeal in the Midwest and Northeast than on the West Coast, where outdoor and informal entertaining don't lend themselves to extensive use of this merchandise.

Different Emphasis

The region's lifestyle has resulted in low-cost traditional ironstone dinnerware continuing to be popular. Bacar lists six 20-pc. Royal China sets, including five designs that debuted on the audit.

Fashion is a major selling factor for glassware, with the better-selling styles trending toward simple designs in either one or two hues or cut of the glass.

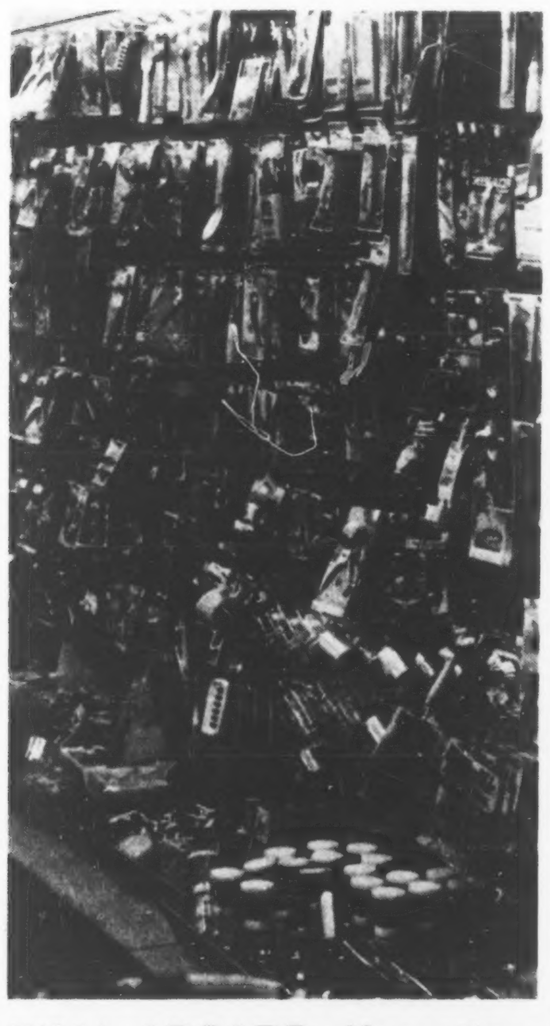
Gold Aster was the new design for beverageware that made the HalMar and Myron Nickman reports while Chivalry was the cut glass style for wineglasses that showed up on the HalMar and Bacar audits.

Merchandising Move

Nonstick finishes have become the dominant factor in cookware merchandising. And traded-up finishes—SilverStone or T-Fal in cookware and Baker's Secret in bakeware—accounted for most of the action in this classification on the three PMAs.

The key cookware line on all three reports was Wear-Ever's Premium offering with Sil-

(Continued on page 21)



WALL ABOARD. Korvettes, West Orange, N.J., used slatboard wall to mass-display carded gadgets for maximum impact. Bulk goods are shown on a shelf below. (DSN photo)

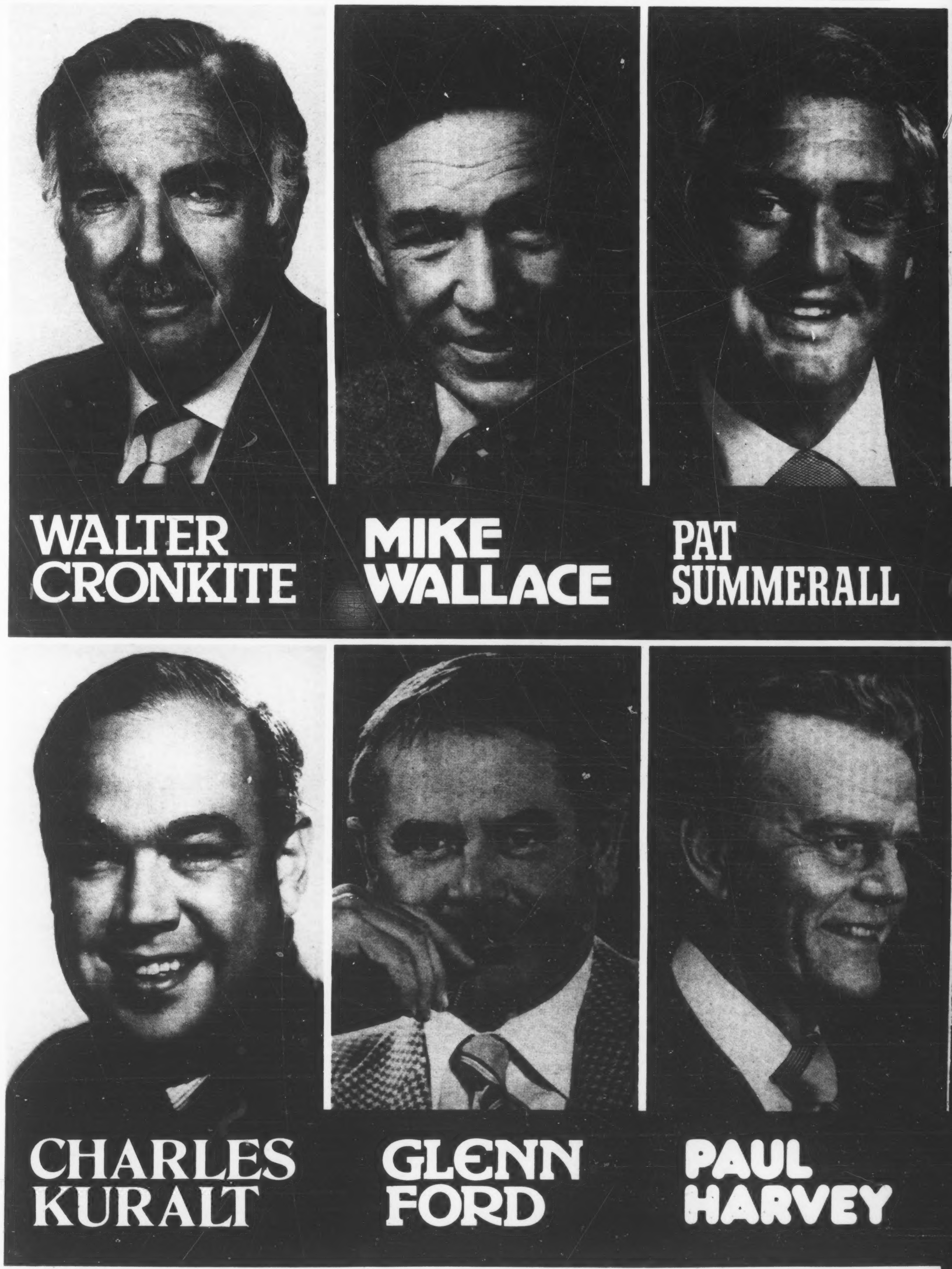
HOUSEWARES

(Continued from page 19)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
CORNING WARE					
1	6	Grab-It bowls	7,468	6.66	49,736.88
2	—	Sidekick	10,005	4.49	44,922.45
3	1	Menu-ette set, Cornflower	3,064	12.52	38,361.28
4	—	Microwave browning grill	1,714	15.54	26,635.56
5	10	6-cup Teapot, Wildflower	2,471	9.94	24,561.74
6	—	4" Grab-It set	1,987	12.35	24,539.45
7	—	Casser-ette	4,943	4.87	24,072.41
8	—	Counter-Saver, small, white	2,596	9.07	23,545.72
9	5	6-cup Teapot, Cornflower	2,469	8.96	22,122.24
10	4	6-cup Teapot, Spice	2,134	9.87	21,062.58
11	3	Menu-ette set, Wildflower	1,241	16.38	20,327.58
12	2	Menu-ette set, Spice	1,219	16.34	19,918.46
13	7	Kitchen Starter set, Spice	651	26.98	17,563.98
14	16	Microwave set	629	27.10	17,045.90
15	18	Kitchen Starter set, Wildflower	617	27.20	16,782.40
16	11	Open roaster, medium, Cornflower	1,188	11.45	13,602.60
17	—	3-qt Saucepan, Spice	904	12.54	11,336.16
18	—	Cook's Choice set, Spice	294	38.51	11,321.94
19	—	Open roaster, large, Cornflower	753	14.70	11,069.10
20	—	2½-qt Casserole, Spice	850	12.18	10,353.00
PYREX					
1	4	3-qt Oblong bake dish	5,864	3.16	18,530.24
2	13	6-cup Percolator	1,920	8.62	16,550.40
3	—	4-pc Mixing bowl set, gold	1,720	9.27	15,944.40
4	—	2-qt Serving pitcher	2,819	5.19	14,630.61
5	2	3-qt Oblong bake dish w/basket	1,257	9.31	11,702.67
6	3	2-qt Casserole w/basket	1,144	9.25	10,582.00
7	17	6-cup Teapot	1,247	8.16	10,175.52
8	18	1-cup Liquid measure	8,266	1.20	9,919.20
9	—	1-pt Liquid measure	5,772	1.55	8,946.60
10	11	4-pc Bowl set w/handle, Woodland	909	9.37	8,517.33
11	—	1½-qt Covered casserole w/basket	1,627	5.22	8,492.94
12	10	3-pc Bake, Serve, Store st, Wdlnd	996	8.51	8,475.96
13	19	3-pc Mix bowl set, Woodland	1,261	6.54	8,246.94
14	—	4-qt Mixing bowl	4,144	1.99	8,246.56
15	9	2-qt Oblong bake dish	2,939	2.79	8,199.81
16	1	Starter set	834	9.39	7,831.26
17	—	3-qt Covered casserole	1,667	4.68	7,801.56
18	—	3-pc Casserole set, gold	730	10.49	7,657.70
19	—	2-qt Oblong bake dish w/basket	1,260	5.92	7,459.20
20	—	4-pc Mug set, gold	1,244	5.99	7,451.56

Source: Myron Nickman Distributors

EASY PICKINGS. Angled shelf in Target, Houston, enables customers to see the pattern and all the pieces in dinnerware sets. Boxed stock is below for easy self-service. (DSN photo)



HOUSEWARES

Figures for these housewares PMA tables cover the calendar year 1979. They were supplied by Bacar Inc., of San Jose, Calif. Bacar covers 1,300 stores, including 200 discount department stores. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
TABLE TOP					
1	1	Expressions 20-pc set, Ind Smmr	9,893	62.95	622,764.35
2	6	Expressions 20-pc set, Meadow	8,185	62.95	515,245.75
3	4	Expressions 20-pc set, Wildflower	7,680	62.95	483,456.00
4	2	Corelle 20-pc set, gold	9,973	35.95	358,529.35
5	8	Corelle 20-pc set, white	8,993	34.15	307,110.95
6	3	Corelle 20-pc set, green	8,223	35.95	295,616.85
7	5	Corelle 20-pc set, Woodland	7,929	35.95	285,047.55
8	7	Corelle 20-pc set, blue	4,215	35.95	151,529.25
9	9	Expressions 20-pc set, Blue Heather	1,507	62.95	94,865.65
10	—	Expressions 20-pc set, Batik	1,404	62.95	88,381.80
11	—	Royal China 20-pc set, Sussex	1,612	27.90	44,974.80
12	11	Royal China 20-pc set, Sante Fe	1,513	27.90	41,456.20
13	16	Corelle large plate, gold	4,277	8.82	37,282.14
14	15	Corelle large plate, green	4,112	8.82	36,267.84
15	—	Royal China 20-pc set, Wdlnd Magic	1,254	27.90	34,986.60
16	—	Royal China 20-pc set, Frolic	1,189	27.90	33,173.10
17	—	Corelle medium bowl, white	3,170	7.92	29,383.20
18	—	Corelle large plate, white	3,267	8.82	28,814.94
19	—	Royal China 20-pc set, Fantasy	1,008	27.90	28,123.20
20	—	Royal China 20-pc set, Desert Rose	993	27.90	27,704.70
GLASSWARE					
1	1	Libbey 6½-oz tall wine, Citation	18,853	5.58	105,199.74
2	5	Libbey 6½-oz red wine, Citation	13,101	5.58	73,103.58
3	—	Libbey, 24-pc Chivalry	2,717	19.80	53,796.60
4	13	Libbey, 11-oz white wine, Citation	10,443	5.04	52,632.72
5	6	Libbey 12-oz red wine, Citation	9,535	5.04	48,056.40
6	—	Anchor Hocking 2-qt batter bowl	11,641	4.05	47,146.05
7	9	Libbey, 6½-oz sherbert, Citation	8,203	5.58	45,772.74
8	4	Libbey, 10-oz goblet, Citation	7,691	5.58	42,915.78
9	—	Anchor Hocking, 7-pc condiment st	2,878	13.50	38,853.00
10	15	Libbey 1-oz cordial, Citation	6,738	5.58	37,598.04
11	16	Anchor Hocking, 4-lb candy jar w/lid	12,268	2.79	34,227.72
12	10	Libbey, 20-oz wine, Vino Grande	12,536	2.25	28,206.00
13	—	Anchor Hocking 2-lb candy jar w/lid	13,351	2.07	27,636.57
14	—	Anchor Hocking 1-gal stor jar w/lid	3,858	6.93	26,735.94
15	—	Jeannette 3-qt casserole w/basket	2,739	9.67	26,486.13
16	—	Anchor Hocking 4-pc ice bkt st, Wxfd	1,971	13.41	26,431.11
17	—	Libbey 60-oz Innkeepers	5,958	4.23	25,202.34
18	—	Libbey 12-oz bev, Cluster Cut	5,694	4.41	25,110.54
19	—	Jeannette 1-qt oval casserole	2,887	8.55	24,683.85
20	—	Libbey 5-gal Crystal Pig	1,053	22.50	23,692.50
COOKWARE					
1	—	T-Fal 7" skillet, rouge	24,541	7.18	176,204.38
2	9	Revere 2⅓-qt whst tktl, cop btm	9,717	15.30	148,670.10
3	11	Columbian, 7-qt canner jar, blue	7,503	16.15	121,173.45
4	10	Melitta 10-cup drip coffeemaker	15,518	7.19	111,574,42
5	3	T-Fal 10" skillet	7,386	14.38	106,210.68
6	13	Anchor Hocking microwave bcn rck	15,710	6.02	94,574.20
7	2	T-Fal 10" skillet, rouge	6,435	13.48	86,743.80
8	20	Columbian roaster, Bird	6,672	11.65	77,728.80
9	7	T-Fal 8" skillet	6,461	11.68	75,464.48
10	15	Revere 12" skillet, cop btm	2,172	33.30	72,327.60
11	—	Wear-Ever Prfrrd 10" fr pn, SlvrStn	7,289	9.44	68,808.16
12	—	Regal, 10" skillet, SilverStone	6,620	9.88	65,405.60
13	4	T-Fal 12" fry pan	3,823	16.18	61,856.14
14	6	T-Fal 12" skillet, rouge	3,972	15.28	60,692.16
15	—	Wear-Ever Prmum 10" fy pn, SlvrStn	5,386	10.79	58,114.94
GADGETS					
1	2	Melitta, #6 filter paper, 100-ct	17,663	3.59	63,410.17
2	3	Vita Saver Steamer	16,927	2.87	48,580.49
3	5	Range Kleen 8" GE range pan	22,080	1.80	39,744.00
4	—	Swing-A-Way, hnd cn opnr, chocolate	10,639	3.58	38,087.62
5	8	Range-Kleen 6" reflect pan, GE	26,440	1.35	35,694.00
6	11	OK 12" x 13" over-sink board	4,064	8.55	34,747.20

(Continued on page 23)

Discount Store News

PMA®

6th Annual
Product Movement Audit

Newness, Style Aid Housewares

(Continued from page 20)

verStone. Various fry pan sizes captured the top five places on the Myron Nickman report; were Nos. 1, 3, 5 and 9 on the HalMar audit and No. 15 on Bacar's (which had the Wear-Ever Preferred 10-in. fry pan with SilverStone as No. 11).

T-Fal, meanwhile, garnered six places on the Bacar report and three on HalMar's, with Ekco's Baker Secret finish showing up on five items at HalMar and four at Myron Nickman.

Cookware without a nonstick finish was limited to such items as Columbian roasters (with an enamel finish), No. 8 on Bacar and No. 9 on Myron Nickman; and to tea and coffeemakers such as two Mirro percolators at HalMar, and a Melitta drip coffeemaker and a Revere tea kettle at Bacar.

Successful Trade-up

Trade-up wasn't limited to just cookware; it also played a role in plastics, among other classifications.

In plastics, large-size containers scored high on all three audits. A Tucker 30-gal. can captured the top spot on the Bacar report while a Loma 32-gal. trash can debuted as No. 7 for Bacar and No. 5 for HalMar. Fesco 20-gal. and 32-gal. cans showed up for the first time on Myron Nickman as Nos. 2 and 3.

(Continued on page 23)

Riding High On Coast

The chart below lists the top sellers as reported in the Bacar Inc. Distributors 1979 annual housewares report, and their ranking in the 1978 PMA, thereby showing merchandise changes during the period.

$ Rank 1979	$ Rank 1978	Category/Item
TABLETOP		
1	1	Expr 20-pc st, Indn Summer
2	6	Expr 20-pc set, Meadow
3	4	Expr 20-pc st, Wildflower
4	2	Corelle 20-pc set, gold
5	8	Corelle 20-pc set, white
GLASSWARE		
1	1	Libbey 6½-oz tl wn, Cttn
2	5	Libbey 6½-oz tl wn, Cttn
3	—	Libbey 6½-oz rd wn, Cttn
4	13	Libbey 11-oz wh wn, Cttn
5	6	Libbey 12-oz rd wn, Cttn
COOKWARE		
1	—	T-Fal 7" skllt, rouge
2	9	Revere 2⅓-qt tkkt, cop
3	11	Columbian 7-jar canner
4	10	Melitta 10-cp drip cffmkr
5	3	T-Fal 10" skillet
GADGETS		
1	2	Melitta #6 flt ppr, 100-ct
2	3	Vita Saver steamer
3	5	Range Kleen 8" GE rng pn
4	—	Swing-a-Wy hnd cn op, choc
5	8	Range Kleen 6" GE rng pn

(Continued on page 23)

DAN RATHER
BRENT MUSBURGER
BOB SCHIEFFER

Look who's teaming up with Wells Lamont Gloves!

Commercials delivered by movie star Glenn Ford, on Network Radio shows featuring everyone from Walter Cronkite and Dan Rather to Charles Kuralt and Mike Wallace—-that's just part of the unprecedented advertising support we'll be delivering in 1980.

Starts March 31

Our Spring barrage starts March 31 on the NBC, ABC and CBS Networks. It's followed in the Fall by a second, even heavier wave—a total of 268,000 commercials, reaching glove buyers an average of 9.2 times each...making 620 million total impressions.

Fifty-two Week Support

In addition to our two seasonal flights, we've signed on newsman Paul Harvey to talk to your customers on his show every week for a year—a show heard by 186 million people on 834 stations.

Your Profit Opportunity

Wells Lamont gloves are proven sellers. They've got the quality, style and variety your customers want. And they're backed by the biggest advertising program in the industry. Now, more than ever before, Wells Lamont are going to be the gloves America asks for, so take advantage of an opportunity for real profits, and stock up now.

Stubborn About Quality

Our new signature describes what we've been all about for over 70 years—*stubborn about quality*. That's what America wants, and that's what you can sell when you display the sign of the White Mule. Folks are going to be looking for it—*in your store*. Give us a call, and we'll get things started.

WELLS STUBBORN ABOUT QUALITY LAMONT

6640 West Touhy Avenue, Chicago, IL 60648
Sales Department toll free number: 800-323-2830
Illinois number: 312-647-8200

Discount Store News

PMA®

6th Annual
Product Movement Audit

Newness, Style Aid Housewares

(Continued from page 21)

The cleaning-and-chemicals area featured a number of items that debuted on the reports. The Myron Nickman audit, for example, included Airwick's Carpet Fresh as No. 1 while Boyle's Woolite rug cleaner was No. 11. Bacar's new items included a Mop-O-Matic sponge mop as No. 1 and O-Cel-O hand sponge as No. 12. (Cleaning-and-chemicals is a new classification for HalMar and wasn't included in previous annual audits.)

The Reason Why

The basics that predominated in the gadgets and bath shop classifications left little opportunity for new items to make the reports. The items that debuted on one PMA often were already on another audit, so that the Range Kleen and E-Z Foil burner bibs that captured three places for Myron Nickman were staples on the HalMar and Bacar reports. The few new items included an Irvin wing corkscrew and a Swing-a-Way hand can opener with a chocolate handle on the Bacar PMA. The former tied in with the interest in wine on the West Coast that also resulted in five wineglasses making that distributor's report; the latter denoted the strong showing of chocolate as a fashion color.

New products and fashion were the twin marketing efforts used by Corning Glass

(Continued on page 30)

HOUSEWARES

(Continued from page 21)

GADGETS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
7	—	Household Mfg 7-pc tl st, wd hndl	2,730	12.55	34,261.50
8	10	Swing-A-Way hnd cn opner, avocado	9,394	3.58	33,630.52
9	—	Tricolator 3½" Norelco filter paper	22,488	1.43	32,157.84
10	7	E-Z Foil electric burner bib	17,520	1.70	29,784.00
11	13	Aluminum Housewares fry crisp filter	10,429	2.68	27,949.72
12	9	Ekco Flint beater	3,454	7.91	27,321.14
13	14	Bromwell large grater, stainless	8,928	2.87	25,623.36
14	—	Irvin wing corkscrew	7,084	3.60	25,502.40
15	—	Lux timer, Avocado	4,053	6.28	25,452.84
16	—	Grayline jumbo shelf	7,066	3.58	25,296.28
17	—	Foley nylon baster	23,192	1.07	24,815.44
18	17	Range Kleen 8" reflector pan	13,170	1.80	23,706.00

PLASTICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Tucker, 30-gal garbage can	3,983	11.68	46,521.44
2	7	Frigidaire ice cube tray	20.670	1.79	36,999.30
3	5	Republic 1-qt uprite Freezette set	13,483	2.51	33,842.33
4	1	Flambeau ice pop maker	17,098	1.78	30,434.44
5	6	Republic 1-pt uprite Freezette set	11,010	2.51	27,635.10
6	9	Republic 1½-pt uprite Freezette set	10,524	2.51	26,415.24
7	—	Loma 32-gal trash can, Avocado	1,810	12.59	22,787.90
8	10	Arrow, 16-oz Rainbow Tumbler	35,900	0.53	19,027.00
9	—	Plastic Mfg 5-qt mix bowl	6,448	2.87	18,505.76
10	—	Republic 3-qt flat Freezette	9,432	1.88	17,732.16
11	—	Republic 2-qt Freezette refrig bottle	12,958	1.34	17,363.72
12	11	Republic 9½-qt flat Freezette	3,216	5.38	17,302.08
13	20	Republic 12-oz uprite freezette	6,672	2.51	16,746.72
14	—	Republic uprite ½ gal Freezette	10,324	1.52	15,692.48
15	15	Republic 2½-pt flat Freezette	11,645	1.34	15,604.30

CLEANING & CHEMICALS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Mop-A-Matic sponge mop	4,016	11.65	46,786.40
2	19	Magla latex gloves, medium	23,026	1.25	28,782.50
3	—	National corn broom, economy	8,331	3.32	27,658.92
4	2	Hoover vacuum bags, upright	26,191	0.90	23,571.90
5	—	Magla latex gloves, large	17,463	1.25	21,828.75
6	6	Quickie automatic sponge mop	3,244	6.29	20,404.76
7	3	Ballonoff copper dustpan	12,848	1.52	19,528.96
8	—	Magla latex gloves, small	15,061	1.25	18,826.25
9	5	Pacific moth balls, 1-lb box	8,766	1.79	15,691.14
10	—	Protecto moth balls, 10-oz	12,071	1.25	15,088.75
11	—	Kellogg 14" patio broom, Palmyra	4,227	3.50	14,794.50
12	—	O-Cel-O hand sponge	17,624	0.80	14,099.20
13	13	Hoover Dialamatic vacuum bags	15,354	0.90	13,818.60
14	—	Eureka upright vacuum bags	14,786	0.90	13,307.40
15	12	Associated vacuum bags, upright	14,245	0.90	12,820.50
16	—	Curity cheese cloth, 2-yd	12,925	0.98	12,666.50
17	—	National corn broom, brown	2,106	5.57	11,730.42
18	—	Gem deluxe sponge mop w/scrub	2,058	5.66	11,648.28

BATH SHOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Grayline large shower caddy	17,371	4.48	77,822.08
2	2	Grayline shower caddy	16,927	2.87	48,580.49
3	3	Selfix shampoo spray	8,251	1.88	15,511.88
4	—	Selfix twin hooks	11,965	1.07	12,802.55
5	6	US household appliques, frogs	5,556	1.97	10,945.32
6	—	Kellogg bowl brush, plastic	10,653	0.89	9,481.17
7	11	Selfix port wall/hand shower	999	8.54	8,531.46
8	7	Ekco 18" towel bar, chrome	4,686	1.78	8,341.08
9	8	US Household appliques, mushrms	4,130	1.97	8,136.10
10	9	US Household appliques, snails	3,948	1.97	7,777.56
11	12	Ekco 24" towel bar, chrome	3,386	2.16	7,313.76
12	10	Ekco 12" towel bar, chrome	4,236	1.70	7,201.20
13	17	Ekco towel ring, plastic	2,848	1.97	5,610.56
14	16	Selfix gripper soap holder	5,167	1.07	5,528.69
15	—	Kellogg bowl brush, Tampico	5,454	0.98	5,344.92

(Continued on page 24)

On the Coast

(Continued from page 21)

PLASTICS

1	—	Tucker 30-gal garbag cn
2	7	Frigidaire ice cube tray
3	5	Republic 1-qt uprt Freezette
4	1	Flambeau ice pop maker
5	6	Republic 1-pt uprt Freezette

CLEANING & CHEMICALS

1	—	Mop-A-Matic sponge mop
2	19	Magla latex gloves, med
3	—	National corn broom, econ
4	2	Hoover vacuum bgs, uprt
5	—	Magla latex gloves, lrg

BATH SHOP

1	1	Grayline larg showr caddy
2	2	Grayline shower caddy
3	3	Selfix shampoo spray
4	—	Selfix twin hooks
5	6	US House applique frogs

RUBBERMAID

1	5	32-gal Trash can, choc
2	4	32-gal Trash can, avoc
3	3	Small laundry bskt, gld
4	1	12" Storage drawer
5	2	16" Storage drawer

CORNING WARE

1	1	Kitchen Start st, Spice
2	9	Grab-It set
3	—	Sidekick
4	—	Cook's Choice st, Spice
5	10	Kitchen Start st, Wldflower

PYREX

1	1	3-qt Oblong bake dish
2	5	2-qt Oblong bake dish
3	2	3-qt Utilty dsh w/bskt
4	6	1-pt Liquid measure
5	3	3-qt Utility dsh, Fireside

SCOTCH® CASSETTES.

SOMETHING FOR EVERY RECORDING ARTIST THAT COMES INTO YOUR STORE.

TAPES

Scotch® Recording Tape: one of the best-selling brands of blank recording tape in the country today. It's hardly surprising. Customers like the true, pure sound they get from Scotch, whether they're recording voices on a portable or getting together some traveling music for a car stereo.

Here are four profit-oriented points.

Great selection. There's a Scotch Recording Tape to meet every customer's needs and musical tastes. Scotch Dynarange® is a great example. You can't sell a comparably priced tape that gives a user better sound. Then there's Scotch Highlander®. It gives users maximum sound quality at minimum cost. It's just great for portable tape recorders.

Different tape types. You can be sure of matching your customer's recording equipment, too. Scotch comes in cassettes, 8-track cartridges, and open reel. All tape comes in a variety of lengths.

National advertising. Scotch Recording Tape is backed up by powerful advertising again this year, including print and radio. The Scotch line will be in front of potential "recording artists" all year round.

Outstanding reputation. The most important point of all. Your customers know the Scotch name. They look for it when they're shopping for blank recording tape. They remember it when they buy on impulse.

All in all, the Scotch Line offers true, pure sound for your customers, and true, pure profit for you. Contact your Scotch Recording Tape Representative for more information.

Scotch
DYNARANGE
90 cassette

SCOTCH® RECORDING TAPE. THE TRUTH COMES OUT.

3M

HOUSEWARES

(Continued from page 23)

RUBBERMAID

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	5	32-gal Trash can, chocolate	3,673	21.55	79,153.15
2	4	32-gal Trash can, avocado	3,461	21.55	74,584.55
3	3	Small laundry basket, gold	72,018	0.71	51,132.78
4	1	12" Storage drawer	6,830	7.15	48,834.50
5	2	16" Storage drawer	5,944	8.05	47,849.20
6	9	Clean-up caddy	10,094	4.31	43,505.14
7	11	Twin turntable, sand	11,441	3.68	42,102.88
8	12	Single turntable, sand	22,314	1.78	39,718.92
9	15	Ironing organizer	7,917	4.31	34,122.27
10	8	Storage turntable, sand	5,842	5 84	34,117.28
11	11	Twin turntable, gold	9,062	3.68	33,348.16
12	18	Wrap and bag organizer	7,461	4.31	32,156.91
13	7	10¾"-high rect laundry basket, choc	7,488	4.22	31,599.36
14	10	Single turntable, gold	17,559	1.78	31,225.02
15	—	Shelf liner, cane, chocolate	25,012	1.25	31,265.00
16	17	15¾" Turntable, sand	7,663	4.04	30,958.52
17	13	Delux wire dish drain, gold	6,224	4.94	30,746.56
18	16	15¾" Drainer tray, gold	8,490	3.58	30,394.20
19	—	30-gal Roughneck can, choc	1,409	21.55	30,363.95
20	—	15" high Wastebasket, choclate	8,820	3.41	30,076.20

CORNING WARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Kitchen Starter set, Spice	3,339	34.19	114,160.41
2	9	Grab-It set	13,845	8.09	112,006.05
3	—	Sidekick	20,733	5.39	111,750.87
4	—	Cook' Choice set, Spice	1,897	53.99	102,419.03
5	10	Kitchen Starter set, Wildflower	2,977	34.19	101,783.63
6	8	Microwave browning grill	5,100	19.35	98,685.00
7	2	Menu-ette set, Spice	3,622	20.69	74,939.18
8	—	Microwave set	2,017	34.19	68,961.23
9	13	Menu-ette set, Wildflower	3,198	20.69	66,166.62
10	5	Menu-ette set, Cornflower	3,870	16.19	62,655.30
11	7	6-cup Teapot, Spice	4,705	13.05	61,400.25
12	15	3-qt Saucepan, Spice	3,568	18.85	56,196.00
13	12	6-cup Teapot, Wildflower	4,213	13.05	54,979.65
14	18	2-qt Saucepan, Spice	4,058	13.05	52,956.90
15	16	2½-qt Casserole, Spice	3,468	15.25	52,887.00
16	—	Grab "4" It set	3,412	15.29	52,169.48
17	—	Cook's Choice set, Wildflower	1,048	48.59	50,922.32
18	11	Kitchen Starter set, Cornflower	1,704	29.69	50,591.76
19	—	Casser-etta	8,051	5.85	47,098.35
20	19	Counter-Saver, large, Spice	2,345	17.09	40,076.05

PYREX

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	3-qt Oblong bake dish	36,019	4.04	145,516.76
2	5	2-qt Oblong bake dish	24,203	3.59	86,888.77
3	2	3-qt Utility dish w/basket	7,039	11.65	82,004.35
4	6	8-oz Liquid measure	44,258	1.61	71,255.38
5	3	3-qt Utility dish, Fireside	10,689	4.49	47,993.61
6	15	6-oz Custard cup, 4-pack	19,103	2.51	47,948.53
7	17	9" Pie plate	26,069	1.79	46,663.51
8	14	6-cup Percolator	3,971	11.65	46,262.15
9	13	3-piece Mixing bowl set	7,607	5.85	44,500.95
10	11	4-pc Bowl set, gold	3,751	11.65	43,699.15
11	—	10-oz-deep Pie dish, 4-pk	13,661	3.14	42,895.54
12	16	3-piece Bowl set, Woodland	5,316	8.05	42,793.80
13	4	2-qt Casserole w/basket	3,659	11.65	42,627.35
14	7	1-pt Liquid measure	20,389	2.06	42,001.34
15	—	2-qt Serving pitcher	6,666	6.25	41,662.50
16	—	1-qt Liquid measure	13,927	2.69	37,463.63
17	8	8" Square cake dish	11,726	3.14	36,819.64
18	—	2-qt Oblong bake dish	9,086	4.04	36,707.44
19	—	3-pc Casserole, set, gold	2,637	13.45	35,464.65
20	—	3-pc Casserole set, Woodland	2,536	13.45	34,109.20

Source: Bacar Inc.

Discount Store News

PMA®

6th Annual Product Movement Audit

Corning Removal Of Retail Prices Bothers Chains

Nationwide DSN Report

Corning Glass' decision to drop retail prices from its 1980 first-half catalog has created competitive pricing problems for discounters and other retailers.

A Corning Glass executive asserted that the prices were dropped from the catalog because the end of fair trade meant that no one sold goods at the listed prices.

But discounters offered additional reasons for the manufacturer's move.

Another Perspective

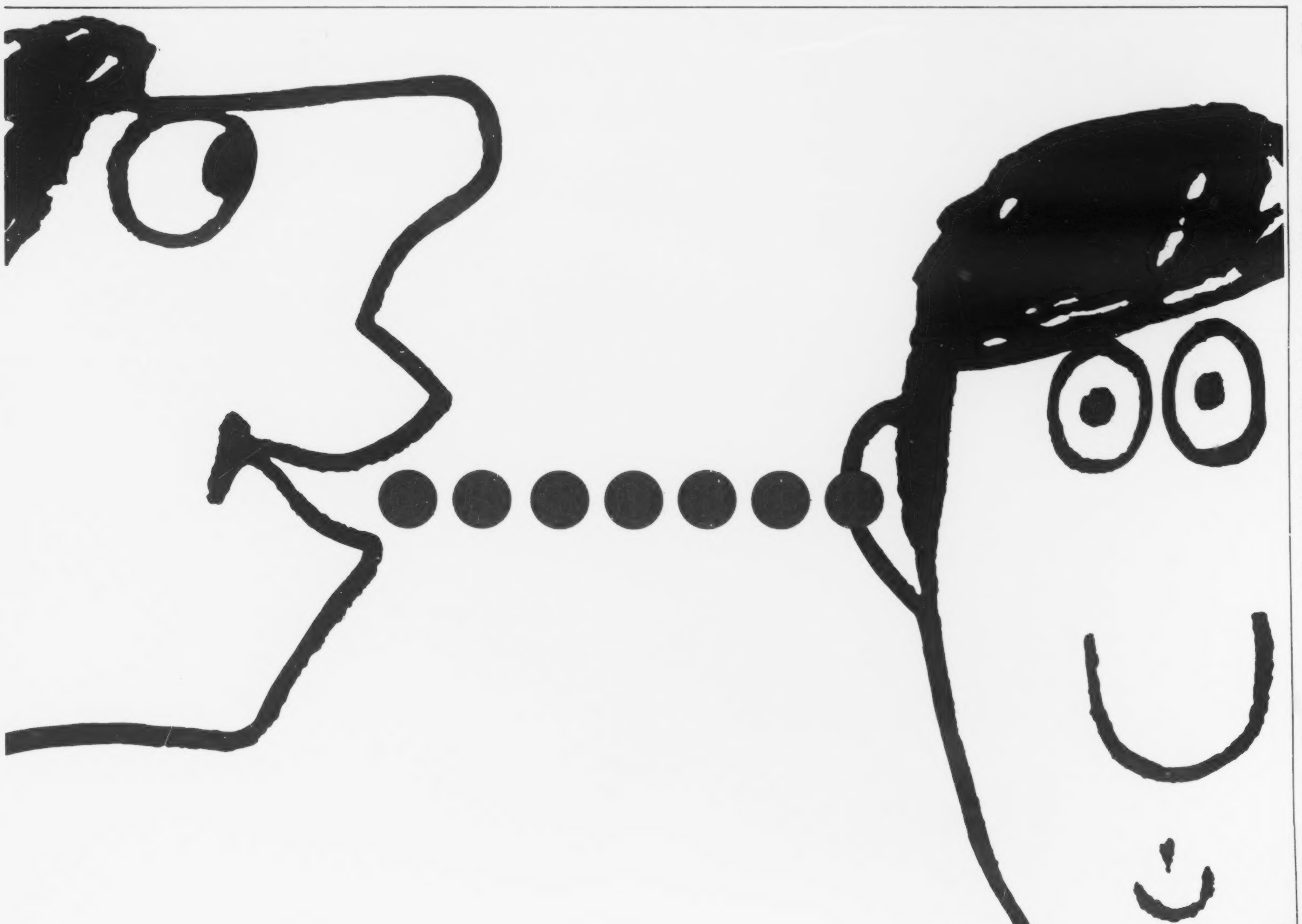
One merchandiser noted that elimination of the prices would help distributors maintain their profits despite the loss of some business from chains who will buy direct. Lack of the catalog prices means "I don't have a benchmark price against which I can compare prices from different distributors to see who's giving me the best deal."

He explained that the catalog price was the basic price quoted by distributors who then cited various discounts for such factors as advertising and quantity buys to come up with the final charge for the merchandise.

Another merchandiser pointed out that Corning Glass raised its prices at the end of

(Continued on page 57)

STEP-UP. The trend to step up cookware is seen in Zodys, Slauson Avenue, Los Angeles, in merchandising of stainless steel and high-end, nonstick goods. (DSN photo)



GTE Products Corp., Sylvania Lighting Center, Danvers, Mass. 01923

What lightbulb always says quality?

Sylvania Blue Dot® comes across loud and clear. We've built a reputation over the years based on performance. Because we pay attention to details every single day.

Just one example. Before any bulb reaches your shelf, we put it through 40 separate and unforgiving inspections. Since we've done all the checking, you can feel confident at your checkout.

And that's a good thing, too. Customers are very concerned about the quality of lightbulbs. With Sylvania, you've got a name consumers are willing to pay for. Because they know the quality is there.

For years, customers have also known that they can count on Sylvania flashbulbs. And that puts the most effective kind of advertising behind all your Blue Dot sales. Word of mouth.

SYLVANIA Blue Dot | GTE

Discount Store News

PMA®

6th Annual Product Movement Audit

Styler/Dryers, Drips Vie For Electrics Lead

Styler/dryers and drip coffeemakers this year are again expected to vie for the top spot in small-electrics productivity.

Overall, electric housewares sales are seen as remaining flat due to the uncertain economy and consumers focusing their buying on essential goods.

These projections reflect trends evident in the electrics field for the past few years, and are also seen in the Myron Nickman small-appliance Product Movement Audit reports.

The productivity battle between styler/dryers and drip coffeemakers has been going on for the last half-dozen years. It shows up in a comparison of the PMA for last year with the audit for 1978.

In the 1979 audit (see chart), the two categories split the overall top honors with styler/dryers No. 1 in unit movement and drip coffeemakers capturing the greatest dollar action.

In the previous PMA, styler/dryers were No. 1 in both unit and dollar movement, with drip coffeemakers No. 2.

As for the flat sales outlook, this is expected to be a repeat of last year. The 1979 report showed a slight 3.4% drop in overall dollar volume to $4.2 million from the previous audit, while unit movement fell 14.7% to 246,388 despite 10 more sku's

(Continued on page 27)

Top Sellers In the Midwest

The chart below lists the top five sellers in 10 key categories as reported in the Myron Nickman Distributors 1979 annual electric housewares report. Their ranking in the 1978 annual report is also given, thus reflecting merchandise changes during the period.

$ Rank 1979	$ Rank 1978	Category/Item
STYLER/DRYERS		
1	10	Gillette 1000W Supermax 2
2	17	Conair 1200W Pro Stylr w/br
3	—	Conair 1200W Pistol Power
4	—	Windmere 1250W Boss
5	2	Shetland 1200W Pony Pro
CURLING WANDS		
1	—	Windmere Curling Brush
2	—	Gillette Body & Curl
3	7	Windmere Pretty Curl
4	—	Windmere Kwik Kurl
5	1	Clairol Crazy Curl
DRIP COFFEEMAKERS		
1	—	N Amer Mr Coffee 12-cp w/sv
2	4	N Amer Mr Coffee 10-cp w/sv
3	—	N Amer Mr Coffee 10-cp
4	6	Proctor-Silex 10-cp
5	1	Norelco 10-cp Dial-a-Brew
SPECIALTY ELECTRICS		
1	—	Wear-Ever Popcorn Pumper
2	—	Presto PopcornNow
3	—	Hamilton Beach Butter Up
4	—	Norelco Deep Fry
5	3	Presto Fry Daddy

(Continued on page 27)

ELECTRIC HOUSEWARES

Figures for these electric housewares PMA tables cover the calendar year 1979. They were supplied by Myron Nickman Distributors, a division of Cook United, Maple Heights, Ohio. Nickman covers 900 stores, including 125 discount department stores in the Midwest. Average retail prices listed by the distributor reflect typical price points for discount clients.

STYLER DRYERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	10	Gillette 1000W Supermax	3,540	18.53	65,596.20
2	17	Conair 1200W Pro Styler w/brush	2,728	21.39	58,351.92
3	—	Conair 1200W Pistol Power	4,873	11.96	58,281.08
4	—	Windmere 1250W Boss	4,350	12.58	54,723.00
5	2	Shetland 1200W Prony Pro	5,384	9.43	50,771.12
6	1	Conair 1000W Pro Dryer	3,562	12.98	46,234.76
7	7	Clairol 1200W One-for-the-Road	2,177	20.06	43,670.62
8	4	Clairol 1200W Son of a Gun	1,972	20.69	40,800.68
9	5	Norelco 1000W Gctcha Gun	3,312	12.24	40,538.88
10	—	Sunbeam 1200W Win-Aire	2,428	14.06	34,137.68
11	—	Gillette 1400W Supermax Pro	1,531	21.38	32,732.78
12	19	Northern 1000W	2,732	11.38	31,090.16
13	6	Gillette 1000W Pro Max Compact	1,892	15.31	28,966.52
14	5	Norelco 1200W Gotcha Gun	1,757	15.65	27,497.05
15	—	Clairol 1200W Shoot the Breeze	1,354	17.36	23,505.44
16	—	Gillette 12000W Supermax	1,020	22.08	22,521.60
17	8	Northern 1200W	1,758	10.70	18,810.60
18	—	Windmere 1200W Dry Baby	1,669	11.23	18,742.87
19	15	Gillette 1200W Supermax Curlytop	633	23.29	14,742.57
20	—	Georgie 1200W Compact	682	11.70	7,979.40
		TOTALS	49,354		719,694.93

CURLING WANDS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Windmere Curling Brush	5,976	8.49	50,736.24
2	—	Gillette Body & Curl	2,474	14.69	36,343.06
3	7	Windmere Pretty Curl	6,357	5.55	35,281.35
4	—	Windmere Kwik Kurl Wonder Bar	6,563	4.60	30,189.80
5	1	Clairol Crazy Curl	2,412	12.38	29,860.56
6	5	Schick Quick Curl	3,209	9.13	29,298.17
7	3	Sunbeam Mist Stick, swivel cord	3,311	8.36	27,679.96
8	—	Norelco Wave Maker	1,728	14.25	24,624.00
9	4	Gillette Super Curl Compact	1,822	13.35	24,323.70
10	—	Clairol Crazy Baby	1,387	16.09	22,316.83
11	2	Norelco Curl Q	2,072	10.68	22,128.96
12	—	Northern Pro Styling Brush	2,760	7.99	22,052.40
13	—	Dallas Hot Pick	1,632	11.38	18,572.16
14	8	Conair Curl 'N Carry	1,349	11.53	15,553.97
15	—	Conair Little Misty	929	10.45	9,708.05
		TOTALS	43,981		398,669.21

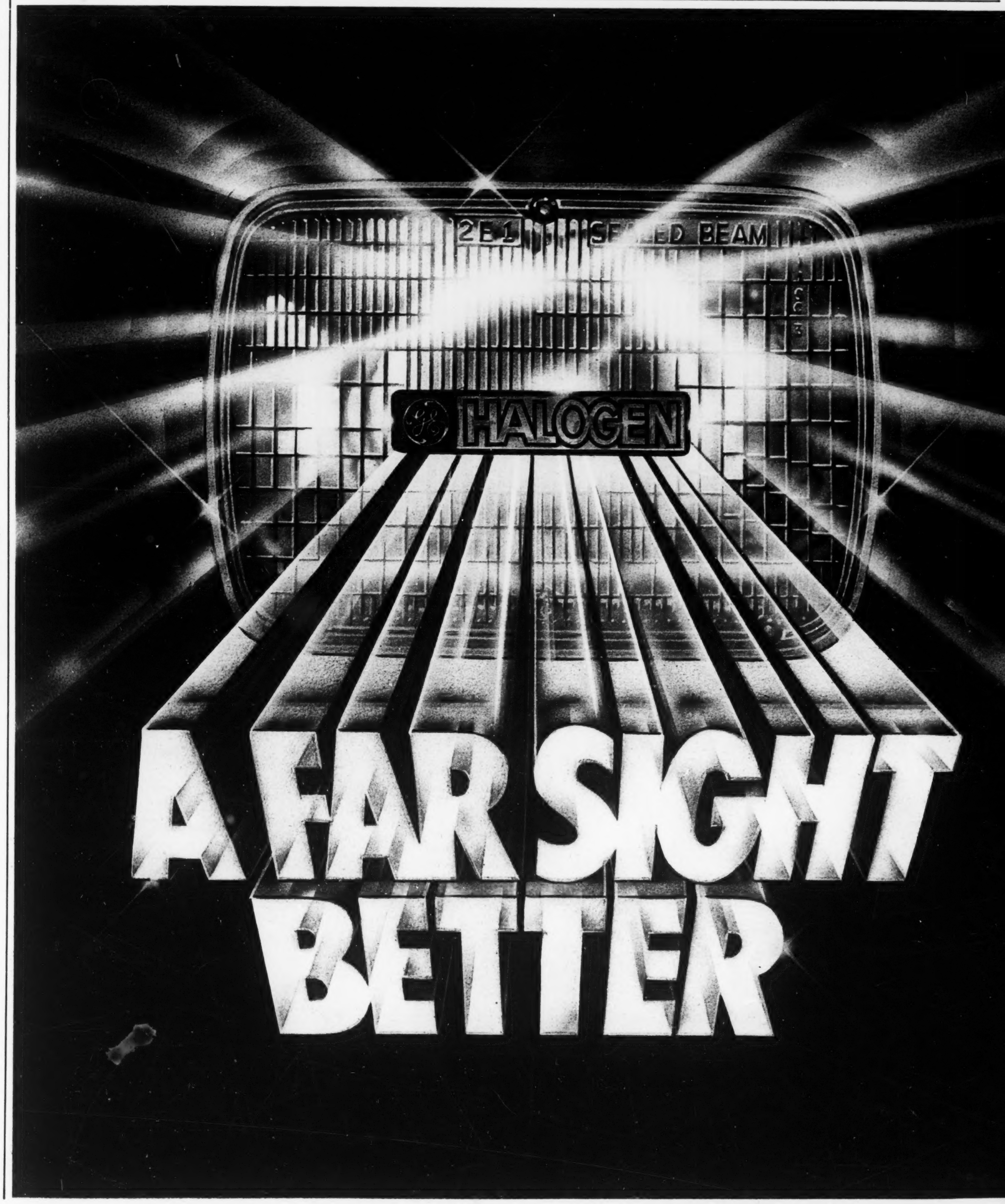
DRIP COFFEEMAKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	North Amer Mr Coffee 12-cp w/svr	5,775	38.23	220,778.25
2	4	North Amer Mr Coffee 10-cp w/svr	6,128	33.84	207,371.52
3	—	North Amer Mr Coffee 10-cup	7,201	24.88	179,160.88
4	6	Proctor-Silex 10-cup	7,009	19.80	138,778.20
5	1	Norelco 10-cup Dial-a-Brew	2,768	27.29	75,538.72
6	12	Norelco 10-cup Dial-a-Brew	1,101	32.13	35,375.13
7	—	Norelco Express 4-cup	1,518	19.44	29,509.92
8	9	Norelco 12-cup	768	38.26	29,383.68
9	8	Regal 4-cup mini-drip	1,912	14.66	28,029.92
10	7	Van Wyck 12-cup Great Coffee	791	20.08	15,883.28
11	10	Bunn-Matic 8-cup	176	46.79	8,235.04
12	11	Hamilton Beach Mini-Drip	394	15.20	5,986.90
13	3	North Amr Mr Coffee 10-cp dlx w/svr	124	38.75	4,805.00
		TOTALS	35,665		978,838.34

SPECIALTY ELECTRICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Wear-Ever Popcorn Pumper	5,198	28.94	150,430.12
2	—	Presto Popcorn Now	2,616	30.76	80,468.16
3	—	Hamilton Beach Butter Up Popper	2,929	13.65	39,980.85
4	—	Norelco Deep Fry	7,264	5.36	38,935.04
5	3	Presto Fry Daddy	1,512	23.79	35,970.48
6	—	Hamilton Beach Air Popper	812	32.16	26,113.92
7	2	Hamilton Beach Fry All	1,145	17.23	19,728.35
8	—	Waring Steam Chef	568	34.69	19,703.92
9	—	Sunbeam Great Amer Ppcrn Mchn	869	21.63	18,796.47
10	—	Mirro Butter/Rite corn popper	1,925	9.35	17,998.75
11	—	Toastmaster Mini Griddle	649	20.75	13,466.75
12	—	Oster Egg Cooker	593	19.54	11,587.22
13	—	Presto Hot Dogger	1,567	7.04	11,031.68

(Continued on page 27)



ELECTRIC HOUSEWARES

(Continued from page 26)

SPECIALTY ELECTRICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
14	—	Presto Gran Pappy	312	29.06	9,066.72
15	—	Presto Fry Baby	385	18.93	7,288.05
16	—	Northern Big Top hotdog maker	418	15.63	6,533.34
		TOTALS	28,762		507,099.82

FOOD PROCESSORS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Sunbeam Le Chef	573	110.95	63,574.35
2	—	Hamilton Beach Cuisine Machine	830	60.14	49,916.20
3	—	Oster Kitchen Center, almond	211	123.73	26,107.03
4	—	Norelco food processor	214	90.79	19,429.06
5	—	Oster Kitchen Center, gold	135	122.09	16,482.15
6	—	Moulinex La Machine	117	62.19	7,276.23
		TOTALS	2,080		182,785.02

SLOW COOKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Rival 5-qt removable liner, beige	21,154	25.06	53,979.24
2	3	Rival 3½-qt removable liner	2,627	19.51	51,252.77
3	4	Rival 3½-qt almond	3,374	12.11	40,859.14
4	5	Van Wyck 6-qt removable	1,068	21.88	23,367.84
5	—	Rival 3½-qt, flame	1,325	11.95	15,833.75
6	6	Rival 1-qt Crock-ette	946	10.63	10,055.98
7	—	Rival 2-qt.	792	9.09	7,199.28
		TOTALS	12,286		202,548.00

TOASTERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Proctor-Silex 2-slice, promo	6,360	11.64	74,030.40
2	8	Toastmaster 2-slice, almond	4,780	11.66	55,734.80
3	2	Proctor-Silex 2-slice, pastry	2,904	15.59	45,273.36
4	3	Proctor-Silex 4-slice, promo	2,373	17.43	41,361.39
5	4	Toastmaster 4-slice, dual ctrl wd tn	1,127	26.60	29,978.20
6	—	Proctor-Silex 4-slice, pastry	916	22.38	20,500.08
7	—	Presto 2-slice	108	13.49	14,569.20
8	7	Proctor-Silex 2-slice	123	10.91	13,419.30
		TOTALS	18,691		294,866.73

BLENDERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Oster 10-Speed	2,722	22.80	62,061.60
2	2	Waring 8-button, white	2,285	19.50	44,557.50
3	—	Hamilton Beach 7-speed, almond	2,293	18.63	42,718.59
4	6	Hamilton Beach 14-sp Blndr Pls, gld	966	27.18	26,255.88
5	4	Waring 15-button,white	785	23.63	18,549.55
6	—	Oster 10-speed, glass bowl	385	29.03	11,176.55
7	3	Hamilton Beach 14-sp. Blndr Pls, gld	219	21.64	4,739.16
8	11	Oster 10-speed dual Pulsematic	132	32.59	4,301.88
9	7	Oster 10-speed cycle blend	151	22.88	3,454.88
10	8	Oster 10-speed Pulsematic, gld	103	30.18	3,108.54
11	10	Oster 10-speed Pulsematic, white	102	29.00	2,958.00
		TOTALS	10,143		223,882.08

STAND MIXERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Sunbeam w/dough hook, white	624	72.80	45,427.20
2	5	Waring 6-speed, 2-way, white	1,253	18.46	23,130.38
3	10	Hamilton Beach 12-spd, stnlss bowl	377	31.86	12,011.22
4	3	Sunbeam, glass bowl	272	30.10	8,187.20
5	9	Sunbeam, stainless bowl, gold	135	29.66	4,004.10
		TOTALS	2,661		92,760.10

HAND MIXERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Hamilton Beach 3-speed, gold	3,429	10.35	35,490.15
2	—	Sunbeam 5-sp, Burst of Power, white	1,690	20.18	34,104.20
3	2	Sunbeam 3-speed, white	2,797	10.90	30,487.30
4	3	Waring 6-speed, white	1,906	11.63	22,166.78
5	—	Hamilton beach 5-spd w/case, almnd	658	16.04	10,554.32
6	—	Betty-G 5-speed, white	959	9.39	9,005.01

(Continued on page 28)

Discount Store News

PMA®

6th Annual Product Movement Audit

Styler/Dryers Drips Compete

(Continued from page 26)

being tracked.

It is evident that inflation and concern about the economy last year resulted in consumers tightening up on their purchases of electric housewares. The large dropoff in unit movement was offset partly by higher prices and partly by a slight increase in the number of sku's followed in the report, so the total dollar movement showed only a small decline.

The two factors—utility and gift-giving—that helped to maintain the electrics business last year and also sparked the continued strong showings for styler/dryers and drip coffeemakers, are again being relied on to generate sales this year.

Utility is the key to action for styler/dryers and for hair care appliances in general. Curling wands, the other hair care classification tracked on the PMA, was No. 3 in total unit movement and No. 4 in total dollar movement.

The utilitarian nature of the hair care products was enhanced by stable prices and by the introduction of styling wands as a new type of curling wand. The latter classification had also twice as many sku's due to the introduction of styling wands and consumer acceptance of items geared to ethnic use such as the Dallas Hot Pick, which captured the No. 13 ranking.

Curling wands, in fact, were the only classification to show increases in both total unit and

(Continued on page 28)

Top Sellers

(Continued from page 26)

SLOW COOKERS

1	1	Rival 5-qt remov lnr, beige
2	3	Rival 3½-qt remov lnr
3	4	Rival 3½-qt almond
4	5	Van Wyck 6-qt remov lnr
5	—	Rival 3½-qt flame

TOASTERS

1	1	Proctor-Silex 2-slice, prmo
2	8	Toastmaster 2-slice, almond
3	2	Proctor-Silex 2-slice, pstry
4	3	Proctor-Silex 4-slice, prmo
5	4	Toastmaster 4-sl, dl cntrl, wd tn

BLENDERS

1	—	Oster 10-speed
2	2	Waring 8-button, white
3	—	Hamilton Beach 7-sp, almond
4	6	Hamilton Beach 14-sp, Blnd Plus
5	4	Waring 15-button, white

HAND MIXERS

1	1	Hamilton Beach 3-speed, gold
2	—	Sunbeam 5-sp, Burst Pwr, wh
3	2	Sunbeam 3-speed, white
4	3	Waring 6-speed, white
5	—	Hamilton Beach 5-sp w/cse

CAN OPENERS

1	2	Rival w/knife shrp, wh
2	6	Rival w/knife shrp, gld
3	4	Rival w/knife shrp, avoc
4	—	Waring w/knife shrp, gld
5	—	Betty-G w/knife shrp, wh

IRONS

1	1	Proctor-Silex steam
2	2	Sunbeam self-clean
3	—	Hamilton Beach Speed-Lite
4	—	Proctor-Silex steam/spray
5	—	Sunbeam promo self-clean

A FAR SIGHT BETTER WAY TO MAKE MONEY–GE HALOGEN HEADLIGHTS

They're far more profitable than ordinary headlights.

GE Power Plus™ Halogen headlights give you more profit per square foot than ordinary headlights.
Because you sell them in pairs, you increase your turns. Compared to ordinary headlights, GE Halogens are whiter and brighter. On the high beam, they throw the light up to 25% further down the road, making them a far sight better for night driving. That's something people will pay more for. Our research shows people prefer the GE brand 2 to 1.*

*data available upon request.

GE is going all out to make them move. Now!

We're giving GE Halogens our biggest push ever. National ads in key consumer magazines. National radio commercials. Television. Plus, a complete, hard selling point-of-purchase package.
We've got the product, the promotion and the preferred brand to help you sell GE Halogens to a virtually untapped market.
Make sure you're fully stocked with GE Halogen headlights. Call your GE auto lamp supplier now for a far sight better way to make money.

CAR DRIVER
ROAD & TRACK
Newsweek
People
MOTOR TREND

WE BRING GOOD THINGS TO LIFE.

GENERAL ELECTRIC

Clairol
20 in 1
Instant
Hairsetter
LADY

BRANDED. Venture, Griffith, Ind., plays up brand names for personal care appliances by showing items under the manufacturer's logo. Note mix of samples and boxed stock for self-service.
(DSN photo)

ELECTRIC HOUSEWARES

(Continued from page 27)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
7	6	Waring 12-speed, gold	216	12.96	2,799.36
8	5	Van Wyck 5-speed, white	173	9.74	1,685.02
9	4	Van Wyck 5-speed, gold	161	9.73	1,566.53
		TOTALS	11,989		147,858.67

CAN OPENERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Rival w/knife sharp, white	1,856	13.18	24,462.08
2	6	Rival w/knife sharp, gold	2,173	11.18	24,294.14
3	4	Rival w/knife sharp, avocado	2,037	11.15	22,712.55
4	—	Waring w/knife sharp, gold	1,431	12.60	18,030.60
5	—	Betty-G w/knife sharp, white	1,773	9.39	16,648.47
6	—	Oster, white	1,021	15.71	16,039.91
7	10	Rival, almond	1,549	9.71	15,040.79
8	—	Dazey, gold	1,478	8.28	12,237.84
9	3	Rival gold	953	9.66	9,205.98
10	7	Van Wyck w/knife sharp, white	490	9.38	4,596.20
11	9	Hamilton Beach w/knife sharp, gold	149	11.93	1,777.57
		TOTALS	14,910		165,046.26

IRONS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Proctor-Silex steam	4,789	12.15	58,186.35
2	2	Sunbeam self-clean	1,462	26.29	38,435.98
3	—	Hamilton Beach Speed-O-Light	1,983	17.38	34,464.54
4	—	Proctor-Silex steam/spray	1,398	20.70	28,938.60
5	—	Sunbeam promotional self-clean	1,199	20.23	24,255.77
6	3	Proctor—Silex steam/spray	1,594	14.53	23,160.82
7	—	Hamilton Beach Smart Iron	762	27.64	21,061.68
8	—	Sunbeam Today Iron	985	20.21	19,906.85
9	4	Struhl travel iron	2,184	5.81	12,689.04
10	—	Sunbeam promotional steam iron	580	12.04	6,983.20
11	6	Vista steam/spray	208	21.89	4,553.12
12	—	Hamilton Beach Speed-O-Light II	120	13.36	1,603.20
		TOTALS	15,866		274,239.15

Source: Myron Nickman Distributors

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6th Annual
Product Movement Audit

Styler/Dryers, Drips Compete

(Continued from page 27)

total dollar movement.

Drip coffeemakers recaptured the top spot in total dollar movement as this classification continued to be used as a popular gift, particularly for newlyweds and students off to college for the first time. Its acceptance as a gift was aided by the introduction of units that made just small quantities at one time; these models are geared to the needs of singles and couples, demographic groups that are forming an increasingly important segment of the population.

Fad and fringe items have long been important for the electrics business. Despite consumer reservations about these products, a new item can capture sales during its initial introduction.

Promising Area

The specialty electrics classification is an example. Hot air popcorn makers—which became available in mass quantities last year—captured the top two spots and No. 6.

The mini-deep fat fryer, which had been a key item in the 1978 audit, showed up in only four places. Only two hotdog cookers made the report and hamburger makers—once the hottest electric—didn't score at all.

Food processors were the only new classification on the 1979 audit. Its inclusion reflects the impact it made as a relatively new item that is increasingly being used as a gift. The higher average retail price for food processors resulted in low unit movement, but the total dollar movement was high enough to make the six-sku classification ninth in this audit.

Balance Is Achieved

Most of the classifications tracked by the audit are basics, with little change in overall standing and few new items.

Toasters, for example, ranked No. 5 in both total unit and dollar movement, while in the previous report it was No. 5 in units and No. 3 in dollars. Slow cookers were No. 8 in both measurements, having been No. 7 in total units and No. 5 in total dollars in the 1978 PMA. Only two items showed up for the first time on the toaster report while only one debuted on the slow cooker chart.

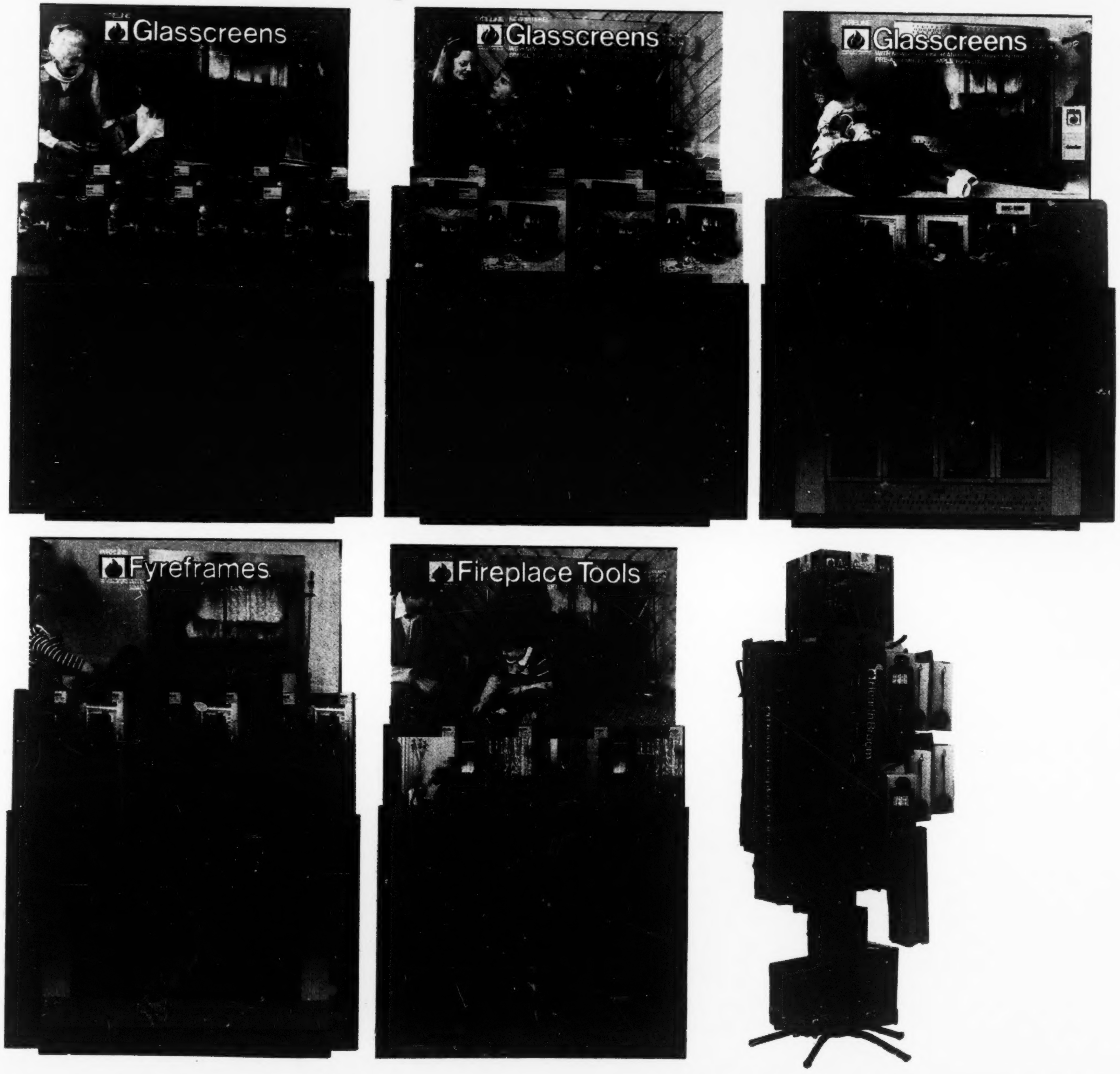
Irons ranked No. 6 in both measurements in both PMAs. Four lightweight irons debuted on the latest report, as these

(Continued on page 58)

K mart's Wolff Dies

TROY, Mich.—Anne Wolff, K mart's director of publicity, died earlier this month after a short illness. The chain has not announced her replacement.

Meet Some Hollywood Stars!



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HOUSEWARES

Figures for these housewares PMA tables cover the calendar year 1979. They were supplied by HalMar Distributors of Holyoke, Mass. HalMar covers 500 stores, including 400 discount department stores from New England to the Carolinas. Average retail price listed by the distributor reflects typical price points for discount clients.

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	TABLETOP			
1	Corelle 20-pc set, gold	24,041	35.95	864,273.95
2	Corelle 20-pc set, Woodland	21,806	35.95	783,925.70
3	Corelle 20-pc set, green	20,305	35.95	729,964.75
4	Expressions 20-pc set, Indian Summer	7,986	62.95	502,718.70
5	Expressions 20-pc set, Meadow	6,914	62.95	435,236.30
6	Expressions 20-pc set, Wildflower	6,150	62.95	387,142.50
7	Corelle 20-pc set, blue	7,049	35.95	253,411.55
8	Corelle 20-pc set, white	3,042	34.15	103,884.30
9	Expressions 20-pc set, Batik	1,120	62.95	70,504.00
10	Expressions 20-pc set, Blue Heather	948	62.95	59,676.60
11	Pyrex Un-Candle Captain's Lamp	6,961	7.19	50,049.59
12	Corelle small platter, gold	6,732	7.20	48,470.40
13	Corelle small platter, green	6,729	7.20	48,448.80
14	Corelle 5-pc completer set, gold	2,560	18.89	48,358.40
15	Pyrex Un-derwater candle, Neptune	6,226	7.19	44,764.94
16	Corelle small bowl, gold	6,135	7.20	44,172.00
17	Corelle 5-pc completer set, green	2,308	18.89	43,598.12
18	Pyrex Un-derwater candle, Nautilus	6,028	7.19	43,341.32
19	Corelle small bowl, green	5,167	7.20	37,202.40
20	Corelle 1-qt bowl, green	5,659	6.25	35,368.75
	GLASSWARE			
1	Anchor Hocking 24-pc set, Newport Crystal	3,459	12.15	42,026.85
2	Libbey 6½-oz round wine, Mr Pro	8,145	4.76	38,770.20
3	Libbey 12½-oz bev, Wheat Spray, 8-pc	4,818	7.73	37,243.14
4	Anchor Hocking 24-pc set, Newport Gold	3,004	12.15	36,498.60
5	Anchor Hocking 11-pc tbl srvc st, prescut	3,164	9.71	30,722.44
6	Libbey 8½-oz wine, Mr Pro	6,006	4.76	28,588.56
7	Libbey 12-oz bev, Summer, 8-pc	3,869	6.83	26,425.27
8	Anchor Hocking 4" ashtray, gold	41,148	0.62	25,493.16
9	Libbey 10½-oz wine, Mr Pro	4,935	4.76	23,490.60
10	Libbey 16-oz cooler, Tawny Accent, 4-pk	7,579	3.05	23,115.95
11	Anchor Hocking 7-pc tbl srvc st, prescut	2,986	7.73	23,081.78
12	Libbey 6½-oz wine, Tawny Accent, 4-pk	4,716	4.85	22,872.60
13	Libbey 8-oz white wine, Chivalry	15,610	1.43	22,322.30
14	Anchor Hocking 9-oz bev, crystal sham	47,463	0.44	20,883.72
15	Libbey 12-oz bev, Gold Aster, 4-pk	7,105	2.87	20,391.35
16	Libbey 6½-oz tall wine, Citation	3,924	4.94	19,384.56
17	Libbey 12-oz bev, Gold Country Garden	30,972	0.62	19,202.64
18	Libbey 12-oz bev, Blue Bolero	43,295	0.44	19,049.80
19	Libbey 4½-oz sour, Mr Pro	3,990	4.76	18,992.40
20	Libbey 12-oz bev, Gold Savoy, 8-pk	3,084	6.11	18,843.24
	COOKWARE			
1	Wear-Ever 12" Premium fry pan, SilverStone	2,976	13.95	41,515.20
2	Ekco 17¼" cookie sheet, Baker's Secret	13,782	2.87	39,554.34
3	Wear-Ever 10" Premium fry pan, SilverStone	3,640	10.79	39,275.60
4	Ekco 13" oblong cake pan, Baker's Secret	14,145	2.60	36,777.00
5	Wear-Ever 9-pc set, Premium, SilverStone	525	69.29	36,377.25
6	T-Fal 10" fry pan	2,238	14.39	32,204.82
7	Ekco 12-cup muffin pan, Baker's Secret	8,222	3.59	29,516.98
8	Ekco 14½" roast pan, Baker's Secret	8,096	3.50	28,336.00
9	Wear-Ever 8" Premium fry pan, SilverStone	2,715	9.89	26,851.35
10	T-Fal 8" fry pan	2,288	11.69	26,746.72
11	T-Fal 8" fry pan	1,624	16.19	26,292.56
12	Ekco 15¼" cookie sheet, Baker's Secret	9,253	2.60	24,057.80
13	Ekco 15¼" cookie sheet	12,160	1.79	21,766.40
14	Ekco 17¼" cookie sheet	10,835	1.97	21,344.95
15	Mirro 9-cup percolator	3,195	6.29	20,096.55
	CLEANING & CHEMICALS			
1	3M 16-oz Scotch Guard	9,140	4.67	42,683.80
2	White Labs 16-oz X-14 mildew remover	11,277	2.87	32,364.99

(Continued on page 57)

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PMA®

6th Annual Product Movement Audit

Newness, Style Aid Housewares

(Continued from page 23)

for Corning Ware and Pyrex.

Sidekick was the hot new Corning Ware item, showing up as No. 2 for Myron Nickman and No. 3 for both HalMar and Bacar.

On the fashion front, Spice continued to be the best-selling design, but Wildflower slightly surpassed Cornflower to become a strong second pattern. This is a feat that the manufacturer hadn't been able to accomplish with two other designs that were eventually withdrawn from the market.

High Volume

The new Pyrex item to make the two PMAs was a 4-qt. mixing bowl, which showed up as No. 2 for HalMar and No. 14 for Myron Nickman. The other important trend was the showing of basic 2-qt. and 3-qt. bakeware, both as stand-alone items and with basket holders.

The consumer interest in basket holders for staple glass bakeware denoted the interest in stepped-up merchandise that offers convenience as well as fashion as the higher-priced features.

Three items with basket holders made the HalMar and Myron Nickman audits, while Bacar had two such products.

Leading Sellers In the Northeast

The chart below lists the top sellers as reported in the HalMar Inc. Distributors 1979 annual housewares PMA. That report is the first annual HalMar PMA to break down housewares into 10 categories and to list items by brand names.

$ Rank	Category/Item
	TABLETOP
1	Corelle 20-pc set, gold
2	Corelle 20-pc set, Woodland
3	Corelle 20-pc set, green
4	Express 20-pc st, Indn Summer
5	Express 20-pc st, Meadow
	GLASSWARE
1	Anch Hock 24-pc st, Newpt Cyst
2	Libbey 6½-oz rd wine, Mr Pro
3	Libbey 12½-oz bev, Wheat Spray
4	Anch Hock 24-pc st, Newpt Gld
5	Anch Hock 11-pc tab serv st, prscut
	COOKWARE
1	Wear-Ever 12" Premium fry pan
2	Ekco 17¼" cooky sht, Baker's Scrt
3	Wear-Ever 10" Premium fry pan
4	Ekco 13" oblg ck pn, Bker's Scrt
5	Wear-Ever 9-pc set, Premium
	GADGETS
1	Swing-a-Wy hnd cn opn, port
2	Rhodes timer, white
3	Ekco cn opnr w/bttle opnr
4	Ekco 3-Way can opener
5	Gemco food chopper
	PLASTICS
1	Demnd Mkt Sesame St tumbler
2	Republic 1-qt uprt Freezette
3	Republic 1-pt uprt Freezette
4	Lustro-Ware 11-qt pail, alum
5	Loma 32-gal lock ld refrig cntnr

(Continued on page 57)

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Discount Store News

PMA®

6th Annual
Product Movement Audit

Basics Rule Auto More Than Ever

By Miles W. McBurney

Although the biggest dollar producer in 1979 was a high-ticket promotional accessory, the annual Auto Product Movement Audit was dominated by basic, generally low-priced merchandise.

The figures from distributor Allied Accessories and Auto Parts Co. indicate that predictions that 1980 will be a year of conservative purchasing patterns by consumers are well founded. While basics have always been the foundation of discount stores' auto departments, as 1979 ended accessories, especially dress-up items, were further reduced in importance.

One note that should be made of products listed in this PMA concerns Motorcraft spark plugs. In 1978, Allied carried Autolite as the original equipment replacement for Ford products, but in 1979 Autolite was replaced by Motorcraft. While the chart indicates that the Motorcraft numbers were unranked the previous year, in fact the Autolite equivalents achieved approximately the same rankings. For example, the BRF-42 and ARF-52 plugs, ranked fourth and sixth in this report, placed fifth and fourth, respectively, for 1978.

Sales Improve

Spark plugs generally, as well as tune-up kits, chemicals, and oils, were the strongest performers in 1979, in some cases recording significant gains.

Oil, especially, showed gains in 1979 because retailers were forced by rapidly rising prices to seek out comparative bargains from other than their normal supply channels. Allied president Herbert Rechter reported that motor oil was not previously a major product line for the distributor, but that retailers shopping for price near the end of the year aided his movement of Valvoline, Quaker State, and especially Pennzoil.

Rechter attributed this growth to the fact that these companies, particularly Pennzoil, were slower in raising their prices than many other major brands. In the case of Pennzoil, the 1OW-30 multigrade rose from No. 38 in 1978 to No. 26 last year and the 1OW-40 multigrade gained even more ground, going from No. 72 to No. 51.

The Valvoline and Quaker State 1OW-40s both improved their showings, with Valvoline capturing third place in dollar movement, while the Quaker State 1OW-30 held firm in its strong 12th-place finish.

Spark plugs captured more than one-fourth of the top 25 places in this annual report, with Motorcraft numbers tak-

(Continued on page 36)

AUTOMOTIVE ACCESSORIES

Figures for these automotive accessory PMA tables cover the calendar year 1979. They were supplied by Allied Accessories and Auto Parts Co., Madison Heights, Mich. Allied covers 2,000 stores, including 1,700 discount department stores, in 33 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	2-ton Hydraulic jack	11,012	69.99	770,729.88
2	2	6014 HD sealed beam	148,029	3.29	487,015.41
3	11	Valvoline 10W-40	433,790	0.93	403,424.70
4	—	Motorcraft spark plug, BRF-42	307,994	1.19	366,512.86
5	6	STP oil treatment, 15 oz	211,124	1.69	356,799.56
6	—	Motorcraft spark plug, ARF-52	293,492	1.19	349,255.48
7	1	Motorcraft oil filter, FL-1A	96,463	3.49	336,655.87
8	24	DuPont Rain Dance, 14-oz paste	62,430	4.89	305,282.70
9	18	Motorcraft 8-cyl tune-up kit, DKF-10	48,889	5.99	292,845.11
10	23	STP gas treatment, 12 oz	180,178	1.59	286,483.02
11	20	DuPont Rain Dance, 16-oz liquid	58,510	4.89	286,113.90
12	12	Quaker State Super Blend, 10W-30	279,276	0.97	270,897.72
13	7	AC oil filter, PF-25	77,045	3.49	268,887.05
14	63	Armor All, 8 oz	89,357	2.99	267,177.43
15	35	Auto ramps, pair	10,167	24.99	254,073.33
16	10	Gumout carb cleaner, 16 oz	148,048	1.69	250,201.12
17	45	Coleman air compressor	6,200	39.89	247,318.00
18	—	Motorcraft spark plug, ARF-42	201,790	1.19	240,130.10
19	21	AC spark plug, R44T	201,759	1.19	240,093.21
20	16	4000 HD sealed beams	83,761	2.79	233,693.19
21	15	AC spark plug, R45TS	195,765	1.19	232,960.35
22	17	Roberk wiper refill, RR-16	106,111	2.19	232,383.09
23	9	Delco 8-cyl tune-up kit, 101-2	36,134	6.39	230,896.26
24	13	Gumout Jet Spray, 13 oz	114,918	1.99	228,686.82
25	—	Motorcraft spark plug, BRF-82	178,326	1.19	212,207.94
26	38	Pennzoil, 10W-30	229,287	0.87	199,479.69
27	19	GM 8-cyl Uniset, 101-1	23,328	8.39	195,721.92
28	51	Snowhite Lite 'N' Easy, gal	15,007	12.99	194,940.93
29	67	5-gal Gas can	24,308	7.99	194,220.92
30	75	Armor All, 16 oz	28,942	6.39	184,939.38

(Continued on page 39)

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CAR RAMP
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A LITTLE LIFT. Car ramps form an endcap for a gondola of jacks, jack stands and tire-changing accessories at this Woolco in Philadelphia. (DSN photo)

Sounds Expensive.
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AM 54 6 7 8 10 13 16
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Basics Rule Automotive

(Continued from page 36)

now the middle-price range. Discounters are again looking for Rain Dance and similar competitive products from major manufacturers like Turtle, Simoniz and Starbrite to generate the most movement, both in terms of units and dollars, in 1980.

While the $4-$6 price range for wax in previous years was considered the premium price range, this year polymer polishes retailing for as much as $20 or more will hold top-ticket honors. While most discounters will stock at least one polymer brand, the price plus the complexity of application have left many discounters skeptical about consumer acceptance. Nonetheless, simply because of novelty and price, some polymer products are all but certain to make the top 100.

The older-style round headlamps continued to outperform the rectangular sealed beams adopted by manufacturers for most late-model cars. In fact, there has been little change in the rankings for the three top headlamps.

Adding It Up

The 6014 sealed beam, which still is used in some new cars, continued in second place. The next highest ranked headlight dropped slightly from No. 16 to No. 20 while the rectangular 4652 low beam crept upward from No. 42 to No. 39. The rectangular light will continue to gain ground slowly in 1980.

Accessories, despite the No. 1 ranking of the two-ton hydraulic jack, took few spots in the top 100. Only 10 items among the 100 listed can be considered moderate- to high-ticket accessories, and only three of them qualify in any way as dress-up items.

The three dress-up products, in order of ranking, were air horns, the chrome solar shield and amber quartz driving lights.

The air horns, in 1978 a popular promotional accessory, dropped from No. 25 to No. 47 on the list with an everyday price point of $29.99. The solar shield, at $13.99, placed No. 61 after failing to make the top 100 in 1978, and the amber light barely qualified with a ranking of No. 100 at $16.99.

The seven remaining accessories, in order, were the jack, auto ramps, the Coleman air compressor, the three-section antenna with booster, a mechanics creeper, a 4-sq.-ft. chamois, and a three-section ball spring antenna.

Most of these items serve a clear function for the DIYer in maintaining the appearance or performance of his car. These types of accessories will be the promotional products that buyers expect to be most successful in 1980 while strictly

(Continued on page 40)

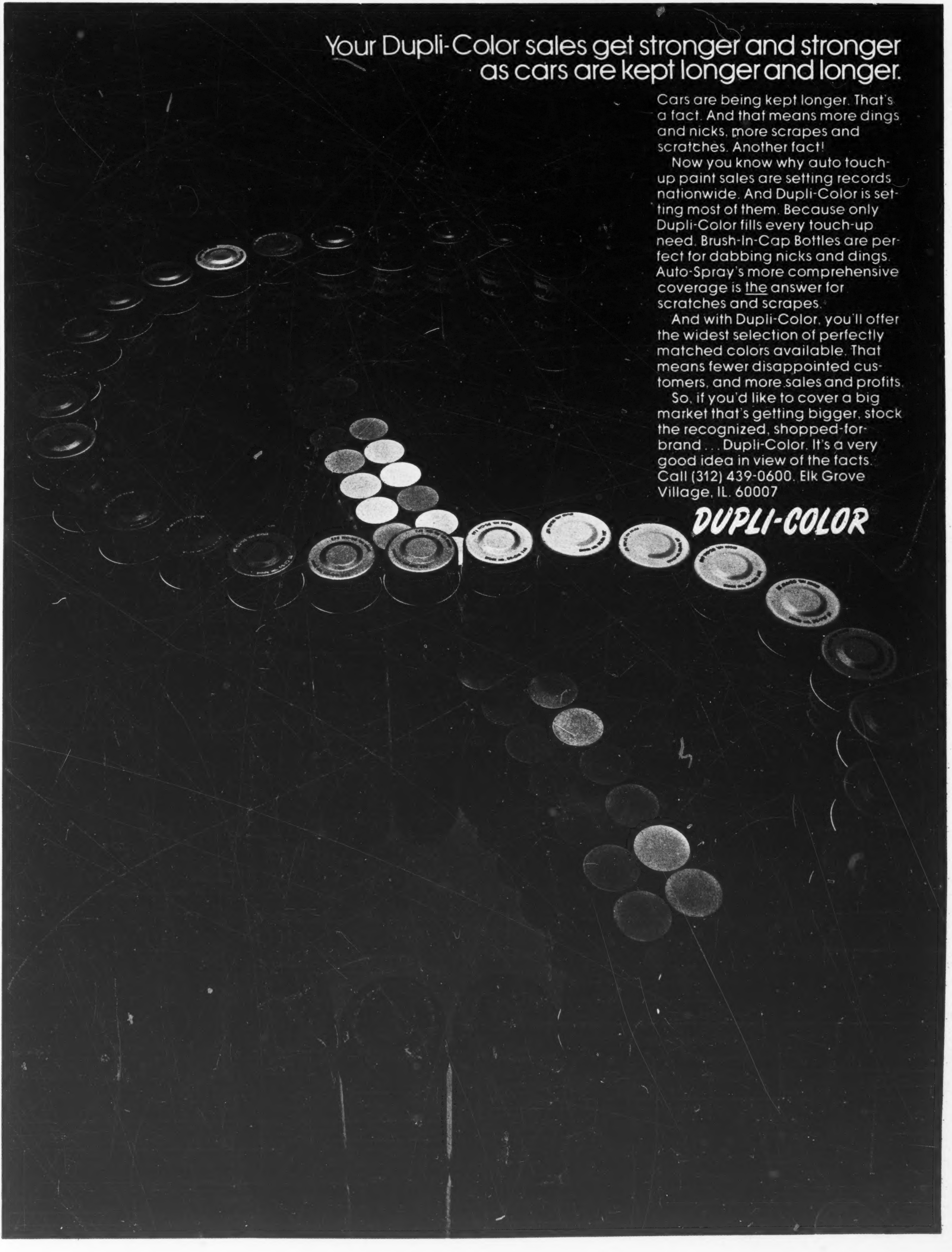
AUTOMOTIVE ACCESSORIES

(Continued from page 35)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
31	31	Warco brake fluid, 12 oz	131,058	1.39	182,170.62
32	29	WD-40 aerosol, 9 oz	101,320	1.79	181,362.80
33	—	Motorcraft spark plug, BF-42	174,849	0.99	173,100.51
34	26	Gas-line antifreeze, plastic bottle	442,219	0.39	172,465.41
35	40	Quaker State Deluxe, 10W-40	189,586	0.89	168,731.54
36	33	Warco brake fluid, 32 oz	44,400	3.59	159,396.00
37	77	Turtle Super Hard Shell, 14-oz paste	47,882	3.29	157,531.78
38	36	Scraper/squeege/snowbrush	91,688	1.69	154,952.72
39	42	4652 square sealed Beams, low	28,997	4.99	144,695.03
40	43	Roberk wiper refill, RR-18	65,532	2.19	143,515.08
41	—	Tam-66 undercoating	75,915	1.89	143,479.35
42	—	Peak antifreeze, gal	33,351	4.29	143,075.79
43	—	DuPont Rally, 14 oz	42,798	3.29	140,805.42
44	41	Bars Leak, 15 oz	74,219	1.89	140,273,91
45	—	Shines Like The Sun, 14-oz paste	27,930	4.99	139,370.70
46	—	20-in Wheel wrench	34,873	3.99	139,143.27
47	25	Dual air horns	4,610	29.99	138,253.90
48	39	Gunk aerosol	81,450	1.69	137,650.50
49	—	Turtle, 18-oz liquid	55,091	2.49	137,176.59
50	34	Risione Oil Alloy, 32 oz	68,850	1.99	137,011.50
51	72	Pennzoil Deluxe, 10W-40	150,516	0.89	133,959.24
52	59	Westleys Bleach White, 20 oz	78,922	1.69	133,378.18
53	28	AC oil filter, PF-30	36,709	3.49	128,114.41
54	—	Shines Like The Sun, 16-oz liquid	25.125	4.99	125,373.75
55	—	Motorcraft spark plug, AGRF-52	104,100	1.19	123,879.00
56	46	Bars Leak, 5½ oz	95,166	1.29	122,764.14
57	—	Turtle Zip car wash, 18-oz liquid	61,569	1.89	116,365.41

(Continued on page 40)

NEW HEIGHTS. Oil and air filters are stocked nearly to the ceiling at this Venture, Griffith, Ind. Oils and additives are within easy reach on the lower shelves. (DSN photo)



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AUTOMOTIVE ACCESSORIES

(Continued from page 39)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
58	—	Freon, 14 oz	73,003	1.59	116,074.77
59	—	Turtle Wax Extra, 16 oz	23,326	4.89	114,064.14
60	66	Fix-A-Flat	92,767	1.19	110,392.73
61	—	Solar Shield, chrome	7,727	13.99	108,100.73
62	—	Quartz light kit, MM210D 2 pack	2,774	38.88	107,853.12
63	49	Starbrite car polish, 16 oz	26,951	3.99	107,534.49
64	—	Motorcraft spark plug, BF-82	107,941	0.99	106,861.59
65	69	Roberk wiper blades, 16"	48,702	2.19	106,657.38
66	—	4-ton Hydraulic bottle jack	6,943	14.99	104,075.57
67	—	Johnson's Kit wax, 12 oz	33,619	2.99	100,520.81
68	68	3-section Antenna w/booster	13,054	7.59	99,079.86
69	—	Locking gas cap, 4610BL	16,275	5.99	97,487.25
70	—	6052 Large rectangular sealed beam	12,190	7.99	97,398.10
71	48	Prestone spray deicer	66,535	1.39	92,483.65
72	70	Delco 6-cyl tune-up kit, 101-3	16,801	5.49	92,237.49
73	—	6½-gal Gas can	10,206	8.99	91,751.94
74	89	2-gal Gas can	22,995	3.99	91,750.05
75	—	AC spark plug, R46S	77,041	1.19	91,678.79
76	52	CD-2 Red Hi, 15 oz	51,078	1.79	91,429.62
77	58	Aerosol starting fluid	101,225	0.89	90,090.25
78	64	AC oil filter, PF-35	25,724	3.49	89,776.76
79	—	Motorcraft 6-cyl tune-up kit, DKF-16	14,963	5.99	89,628.37
80	53	12' Booster cable, deluxe clamp	6,896	12.99	89,579.04
81	98	Mechanics creeper	8,038	10.99	88,337.62
82	60	AC spark plug, R46TS	74,121	1.19	88,203.99
83	50	CD-2 Black Lo, 15 oz	48,699	1.79	87,171.21
84	—	Valvoline Dextron ATF, 32 oz	97,770	0.89	87,015.30
85	79	Yale power steering fluid, 15 oz	67,287	1.29	86,800.23
86	—	Chamois, 4 sq ft	8,655	9.99	86,463.45
87	—	Turtle Wax Extra, 13-oz paste	17,243	4.89	84,318.27
88	56	AC oil filter, PF-24	23,566	3.49	82,245.34
89	74	AS400 Brake fluid, 12 oz	48,645	1.69	82,210.05
90	65	Snowhite Lite 'N' Easy, 32-oz kit	20,569	3.99	82,070.31
91	94	3-section Ball spring	11,679	6.99	81,636.21
92	62	Casite Motor Honey, 14 oz	48,127	1.69	81,334.63
93	—	Freon kit	13,481	5.99	80,751.19
94	76	DL hand cleaner, 1 lb	81,531	0.99	80,715.69
95	—	Wynn Spitfire, 15 oz	47,467	1.69	80,219.23
96	—	GM 8-cyl distributor cap	18,235	4.39	80,051.65
97	—	Grey wheel primer	46,969	1.69	79,377.61
98	—	Casite oil filter, CF-25	34,521	2.29	79,053.09
99	—	Simoniz presoftened wax, 10 oz	27,275	2.89	78,824.75
100	55	Rectangular qurtz lght, MM210 mbr	4,623	16.99	78,544.77

Source: Allied Accessories & Auto Parts

(Continued from page 39)

dress-up products such as racing mirrors and compasses will be most vulnerable to economic pressures.

Winter seasonals did not fare well in 1979, primarily because of mild weather in the North. Where last year's annual PMA had numerous battery chargers, cables, chemicals, and related products listed, far fewer qualified for the 1979 top 100.

The highest ranking winter product was the humble gas line antifreeze which placed No. 34 with a lowly 39¢ average price. Allied moved 442,219 plastic bottles of the antifreeze, the highest unit volume of any product listed. Despite its relative strength, the product dropped in ranking from No. 26 the previous year.

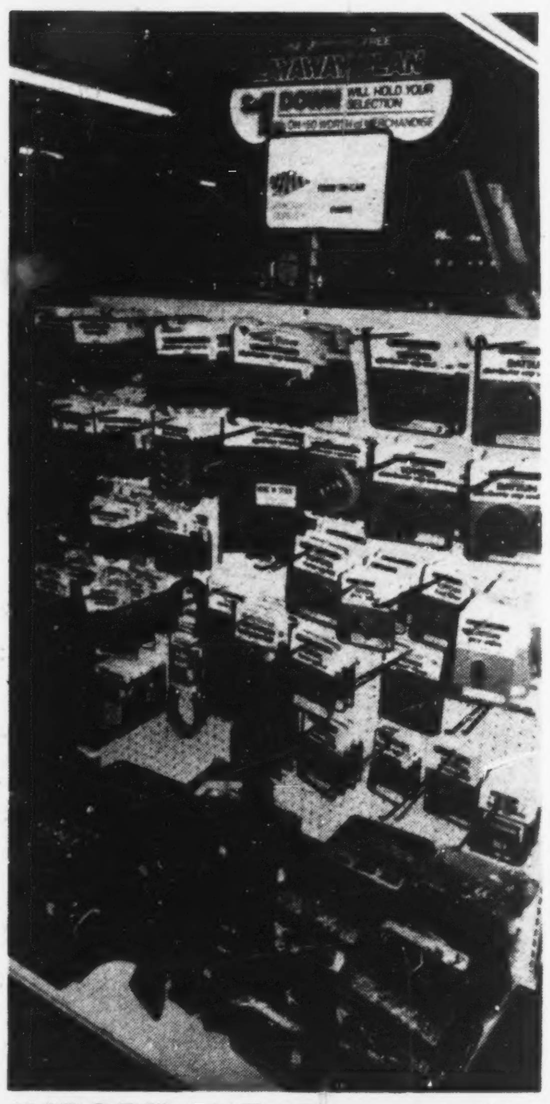
Upswing Noted

One of the next highest ranked winter seasonals was Peak radiator antifreeze, which was unlisted in 1978. As with oil, Peak benefited from retailers going outside normal channels to obtain the product for the lowest possible price.

All told, only six products which can be classified as winter seasonals made the top 100, including a snowbrush, Prestone de-icer, starting fluid and one booster cable sku.

In 1978, 15 winter items were on the list, including three numbers each of snow brushes, battery chargers, and booster cables.

That body repair has come of age is indicated by the rise in the ratings for Snowhite gallon of body filler. In the 1978 listings, the product rated No. 51 but rose in 1979 to No. 28.



IMPORT-ANT. The growing numbers of foreign cars on the roads have helped give rise to a broader mix at most discounters. These tune-up items are at Jamesway, Sussex, N.J.
(DSN photo)

While the drop for the quart body repair kit from No. 65 to No. 90 might seem to contradict the assertion that the category is growing, the relative lessening of popularity of the kit really indicates that beginners have graduated to larger jobs.

According to buyers for discount chains, kits appeal primarily to first-time users who are testing their ability to perform the task with a small repair. After gaining experience and confidence, DIYers tend to purchase larger sizes of body putty for more extensive repairs and, because they already have most or all of the accessories, do not need to buy another

(Continued on page 41)

union
union

RING UP MORE "GREEN," WITH THE PURPLE.

Introducing Long Distance Purple... Union's anti-friction motor oil that can save customers gas, and earn you big profits.

Here's What Long Distance Purple Can Do For Your Customers.
Long Distance Purple is an exciting new motor oil that can actually save gasoline, when compared with conventional motor oils. (This is a *fact* that has been thoroughly documented, not mere "trade puffery.")

That's important in these days when everybody is trying to get better gas mileage. Long Distance Purple is sure to be a winner in the marketplace. And right now is the time for you to stock up on this distinctive purple motor oil...to be ready to cash in on your share of the profits!

Here's What Long Distance Purple Can Do For *You!*
To help get Long Distance Purple off and rolling, we're offering you a generous case deal. For every five cases of Long Distance Purple you buy from a participating distributor, you get *one case free.* This offer ends June 30, 1980; so hurry—make sure you don't miss out on it!

Take Advantage Of Union's Co-op Advertising Allowances.
$1.00 per case on Long Distance Purple.

How To Get In On The Action.
To stock up on Long Distance Purple, or for the answers to any questions you may have about this unique new motor oil, contact your nearest Union 76 office.

Long Distance Purple Is Backed by Prime-Time Television.
Union Long Distance Purple will get a great deal of exposure on television in 1980. In brand-new commercials, we will be selling this terrific new motor oil in a hard-hitting but friendly way.

An intensive advertising blitz is already under way. Both television and print will carry the advertising message...and media buys include top-rated TV shows, as well as high-efficiency local programming, news and sports broadcasts.

So, with this kind of support, Union Long Distance Purple should move off your shelves in a hurry!

Your Customers Will Be Asking For Union's Other Motor Oils, Too.
Union 20W/50, our heavy-duty motor oil that's certified by NASCAR, Union Super, and Union Premium are all well known for quality and outstanding engine protection. Your customers know and respect the Union Oil name! So don't just stock *one* Union motor oil, stock the entire line. Regular $.30 per case co-op ad allowance on Union Super, Premium and 20W/50 oils.

And you'll ring up *even more "green"!*

union 76

Discount Store News

PMA®

6th Annual
Product Movement Audit

DIY Products, Energy Savers Hot in Midwest

Price-conscious consumers searching for home improvement and energy-saving products shopped discount store hardware offerings closely last year. The result: many products turned in record-breaking sales performances, according to the annual Product Movement Audit released by Stem Distributing, Maple Heights, Ohio.

Among the most sought-after products in 1979 were Black & Decker's 7¼-in. circular saws, two of Yale's moderately priced entrance locksets and an inexpensive fuel cylinder by Bernz.

Rising Trend

Plumbing and electrical products, department basics, also had a strong year, pointing to the fact that growing numbers of consumers are trying to avoid hiring contractors for home repair projects and are learning to do it themselves.

Best-sellers in those categories included a high-end ($16) outdoor extension cord which rose to the top of last year's list, bumping 1978's leader a ($4.50) Lutron rotary dimmer and outselling the leading 1978 extension cord offering which sold for under $7.

Added Category

Product category breakouts in the Stem PMA differed slightly last year to better reflect movement in each department. Black & Decker products, for example, which in 1978 held 11 of 20 places in the power tool category, have been grouped together in a single chart to give buyers a clearer picture of the performance of other power tools.

POWER TOOLS: The category was plagued with manufacturing and supply problems in 1979. B & D's inability to keep up with demand for its goods, particularly promotional and new products, curtailed potential sales by almost 25%, according to Don Petti, Stem's president. In addition, a Government-forced sell-off of its chain saw division removed Skil's best-selling 14-in. chain saw (fourth place in 1978) from the market midway through the year.

Also, a decision by Rockwell's management to emphasize its stationary tool business at the expense of its portable power tool division put extra pressure on the category. Last year, Rockwell's 7¼-in. circular saw was the only Stem offering to compete with B & D's top-selling entry which outsold the Rockwell model by more than 3 to 1.

The disappearance of two other 1978 top 20 placeholders,

(Continued on page 45)

HARDWARE

Figures for these hardware PMA tables cover the calendar year 1979. They were supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio. Stem covers 600 stores, including 480 discount department stores, in 35 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

HAND TOOLS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Bernz TX 9 fuel cyl	108,180	2.85	308,313.00
2	2	Arrow T50 staple gun/chrome	16,255	17.16	278,935.80
3	4	Bernz UL100 propane blow torch	25,786	10.12	260,954.32
4	—	Bernz JT25 torch kit/plastic box	9,657	21.66	209,170.62
5	8	Ajax home rivet tool	20,208	8.82	178,234.56
6	7	Stan PL 316 16′ powerlock tape	14,197	9.84	139,698.48
7	10	Stan PL 425 25′ powerlock tape	9,258	12.59	116,558.22
8	—	Stan PL320 20′ powerlock tape	11,230	10.37	116,455.10
9	5	35MIK Temper 36″ single-bit ax	6,572	17.01	111,789.72
10	—	Petersen 5WR/10WR gift set	9,327	10.56	98,493.12
11	—	Stan PL321 12′ powerlock tape	11,708	7.82	91,556.56
12	—	Arrow T55 staple gun/tacker	6,517	13.87	90,390.79
13	—	Stan utility knife 99	30,201	2.67	80,697.07
14	—	Dalton saw horse	41,706	1.89	78,824.34
15	—	Arrow JT21	8,560	8.80	75,328.00
16	—	Stanley PL12 12′ powerlock tape	11,726	6.30	73,920.70
17	—	Arrow ET 50 elec staple gun	2,596	28.22	73,259.12
18	—	Easy driver AK-8 sckt/scrwdrvr kt	4,886	14.74	72,019.64
19	—	Stanley hammer 20-oz STIA	5,310	13.22	70,198.20
20	—	Stanley hammer 16-oz claw stel	7,258	9.17	66,555.86

POWER TOOLS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Wen 7″ sander/polisher	4,219	55.60	234,576.40
2	—	Skil 2002 ⅜″ cordless drill	4,390	49.07	215,417.30
3	8	Weller 100/140W solder gun	7,027	22.63	159,021.01
4	—	Rockwell 8″ motor/table saw	610	179.20	109,312.00
5	—	Skil 12″ lightweight chain saw	810	128.66	104,214.60
6	10	Wen 10″ elec chain saw	1,764	56.12	98,995.68
7	—	Oxwall 3000 drill press stand	3,442	24.73	85,120.66
8	—	Skil ⅜ var/rev xtra tool	917	79.77	73,149.09
9	—	Portalign drill guide	3,443	21.18	72,922.74
10	—	Skil 7¼″ circ saw 13/4 HSP	949	73.61	69,855.89
11	—	McGraw Edison 5″ bench grinder	1,550	43.89	68,029.50
12	—	Dremel 4″ tilt table saw	628	103.79	65,180.12
13	—	Burgess airless paint sprayer	1,597	39.60	63,241.20
14	—	Skil 16″ deluxe chain saw	313	198.82	62,230.66
15	—	Wen 3″ belt grinder	1,046	57.26	59,893,96
16	—	Dremel motor shop saw/sander combo	684	84.02	57,469.68
17	—	Miller paint sprayer w/acess	711	78.31	55,678.41
18	—	Wen power tool task force	543	101.01	54,848.43
19	—	Wen elec pencil w/carbide tip	6,351	8.19	52,014.69
20	—	Lenk 25W soldering iron	6,924	5.76	39,882.24

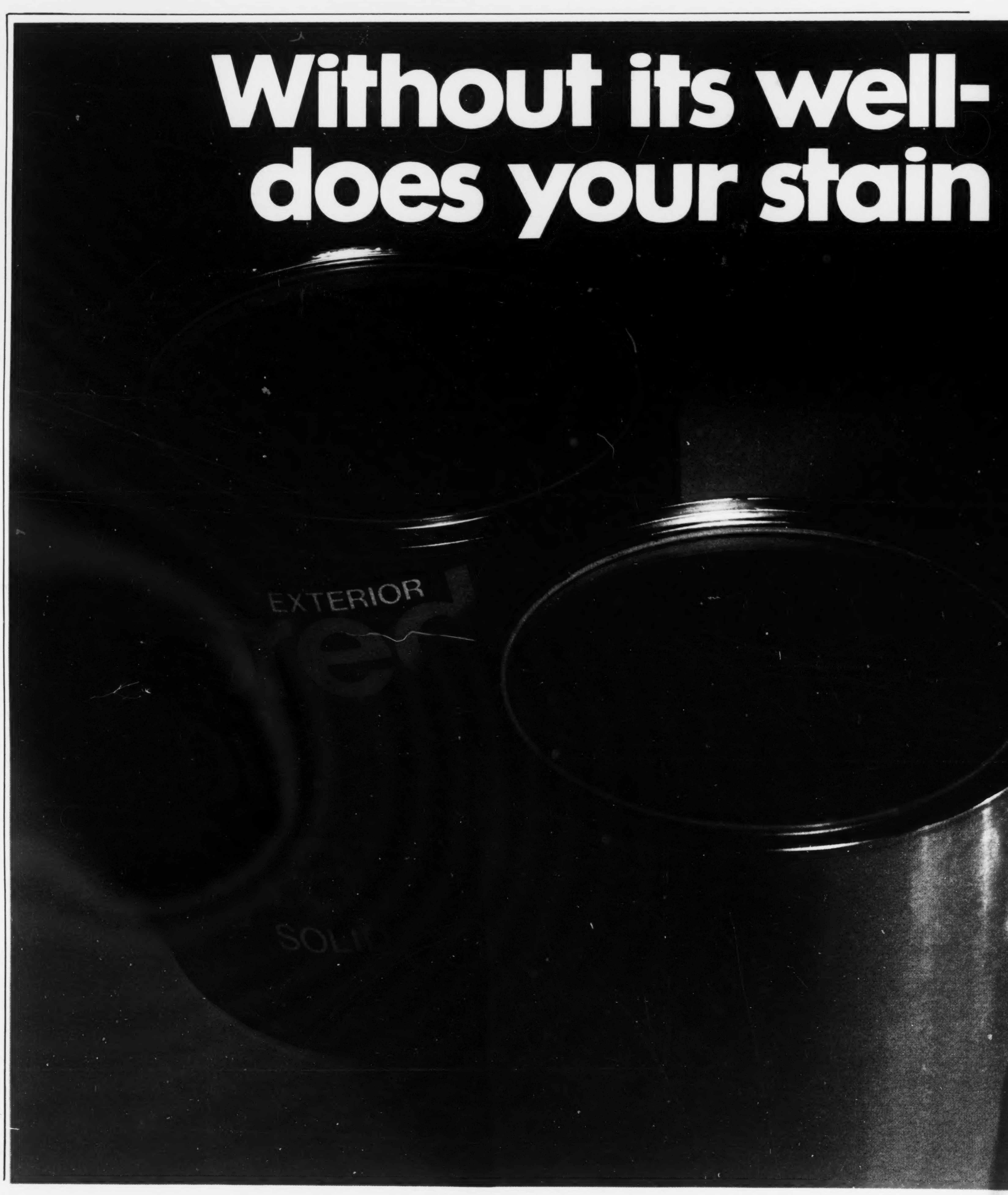
PLUMBING

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Al/Amer white wood toilet seat	15,590	7.68	119,731.20
2	5	Flo plastic pump, pedestal	1,556	64.80	100,828.80
3	1	U-Plm toilet tank repair kit	16,356	6.09	99,608.04
4	10	Flo cast iron pump, pedestal	1,308	72.91	95,366.28
5	3	Manco duct tape 2″ x 60 yd	18,856	5.01	94,468.56
6	8	Flo cast iron pump, submers	890	100.54	89,480.60
7	11	Flotec sump pump, submersible	1,655	49.91	82,601.05
8	13	Flo plast pump, submersible	839	91.53	76,793.67
9	—	Manco fire guard duct tape	11,640	4.25	49,470.00
10	—	Nasco master plumber qt	36,024	1.31	47,191.44
11	15	U-Plm J-bend 1½ chrome	9,398	4.76	44,734.48
12	—	U-Plm P-trap 1¼ bathroom	7,174	6.09	43,689.66
13	20	Flo bronze pump, pedestal	393	109.60	43,072.80
14	—	Flotec 115V pump system	882	48.58	42,847.56
15	17	U-Plm P-trap 1½ kitchen	5,840	7.11	41,522.40
16	—	Keystone portable add-a-shower	2,090	19.74	41,256.60
17	—	U-Plm J-bend 1¼ chrome	8,420	4.36	36,711.20
18	7	Flotec drill pump	5,410	6.67	36,084.70
19	6	Oatey 50/50 SW solder 1-lb	3,450	10.47	35,121.50
20	14	U-Plm toilet ballcock complete	6,204	4.67	28,972.68

PAINT

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Borden krylon gloss wht 13-oz	27,108	2.23	60,450.84
2	2	Borden krylon gloss blk 13-oz	20,316	2.23	45,304.68
3	—	Borden krylon semi-flat blk	14,700	2.23	32,781.00

(Continued on page 45)



HOME LIGHTING CENTER
GE
GENERAL HOME LIGHTING
COLORS
3-WAY

BRIGHTER DAYS. Light bulbs are traditional traffic builders for most discounters. This Home Lighting Center is in Fisher's Buckeye, Wooster, Ohio. (DSN photo)

HARDWARE

(Continued from page 44)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
PAINT					
4	3	2766/7792 Rust gloss wht 13-oz	9,936	2.89	28,715.04
5	10	Borden krylon flat wht 13-oz	12,660	2.23	28,231.80
6	8	634/7779 Rust gloss blk 13-oz	9,708	2.89	28,056.12
7	15	Deft clear semi-gloss gal	1,628	15.86	25,820.08
8	17	Deft clear semi-gloss 13-oz	8,010	3.20	25,632.00
9	—	Defthane clr polythne satin gal	1,260	18.28	23,032.80
10	—	Defthane clear polythne gloss qt	3,696	6.12	22,619.52
11	—	Borden krylon crystl clear 13-oz	9,755	2.23	21,753.65
12	—	Defthane clr polythne satin qt	3,468	6.12	21,224.16
13	13	Trip wood stain Amer wlnt qt	4,230	5.00	21,150.00
14	20	Borden krylon antique wht 13-oz	9,726	2.23	20,685.48
15	—	Borden krylon brite silver 13-oz	9,204	2.23	20,524.92
16	5	2766/7792 Rust gloss wht qt	4,099	4.93	20,208.90
17	6	Deft clear semi-gloss qt	3,636	5.53	20,107.08
18	—	Borden krylon grey prmr 13-oz	9,000	2.23	20,070.00
19	—	Borden krylon rust magic 13-oz	8,748	2.23	19,508.04
20	—	634/7779 Rust gloss blk qt	3,852	4.93	18,990.36
ELECTRICAL					
1	—	3302/UT4/2316 Rd cord out	7,208	16.10	116,048.80
2	—	DR600RC Lutron UL rotary dimmer	21,813	4.59	100,121.67
3	—	3354/UT450/2166-85 Rd cd ext	10,078	9.17	92,415.26
4	—	1000/AP15 USPR/Powr un/cabinet ltlt	10,663	8.23	87,756.49
5	—	U100 Alliance tena-rotor automatic	947	60.01	56,829.47
6	—	4465/681 25′ Trbl lite mtl guard	6,306	8.80	55,492.80
7	—	T45 Alliance tenna-rotor manual	1,025	52.06	53,361.50
8	—	DR600PC Lutr UL dmmr psh on/off	10,067	5.18	52,147.06
9	—	4170/151-6-8 ½ Clamp-on light	8,927	5.36	47,848.72

(Continued on page 46)

Discount Store News

PMA®

6th Annual Product Movement Audit

Energy Savers, DIY Items Hot

(Continued from page 44)

Dynamark's 12- and 16-in. gas-powered chain saws, reflected shifts in Stem's own purchasing program rather than in consumer demand for the product which Petti described as "greater than ever."

One newcomer to the top 20 listing which will be getting closer dealer scrutiny in 1980 is Rockwell's 8-in. motorized table saw. Carrying an average price ticket of $179.20, its performance in 1979 was a sign to many buyers that there was a growing opportunity for them to sell step-up goods.

BLACK & DECKER: For the second year in a row, B & D's 7¼-in. circular saw was the runaway best seller in the power tool category, exceeding 1978's sales by nearly 50%.

Sales of the other top-ranking B & D products—the single height Workmate, ⅜-in. variable speed drill (#7127) and the 5½-in. circular saw (#7300)—more than doubled, while sales of the (#7504) double insulated jigsaw were up 33%.

LAWN AND GARDEN: String trimmers were once again the leading sellers, although unit volume was hurt by True Temper's decision to get out of the power tool business and to concentrate on hand tools.

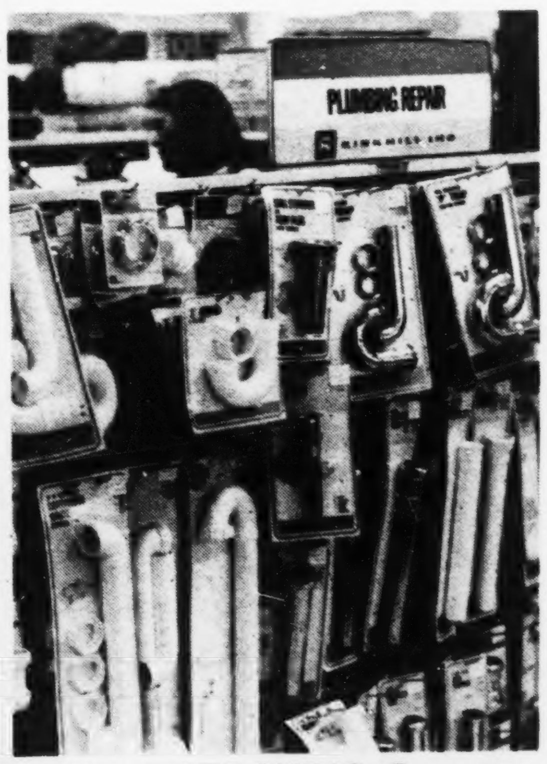
Still, its decision did not prevent its 10-in. electric trimmer from leading the field in dollar sales with its $26.74 price ticket.

Two other entries, a low-end off-brand model (9300 VIL/Blk) at $17.36, and Toro's step-up cordless trimmer at $60.61 also sold well.

(The 50% drop registered in B & D's promotional, nylon line trimmer was mostly due to supply problems, rather than market saturation, according to Petti.)

Other staples, a 50-ft. two-

(Continued on page 46)



DOUBLE STOCKING. Because PVC has been steadily gaining in popularity over the past few years, many discounters are now stocking plastic plumbing products alongside traditional metal ones. (DSN photo)

known label, what have to offer?

[illegible]

Stain. It's equal to any other high quality stain on the market.

2. [illegible], so you use less shelf space to stock. But you don't sacrifice anything when it comes to colors. Glidden Spred Oil Stain gives you a selection equal to any major competitor. 83 of the most popular solid and semi-transparent colors.

3. Fast Turnover. Because our stain comes with the famous Glidden Spred name, you'll benefit from the total Glidden multi-million dollar advertising and promotional program. Including television and national consumer magazines. Plus a complete in-store merchandising program featuring decks, color cards, actual stained panels, and point-of-sale promotion packages.

4. Less Settling. Less Stirring. A special Glidden formula keeps pigment in suspension longer. Minimizes premature settling in the can.

Need more reasons? Here's one: our exclusive Red Box program that contains everything you need to know about selling Glidden Spred Oil Stain for profit. Contact your local Glidden representative for full details. Or call Wayne Kilbey, National Dealer Sales Manager, Glidden Coatings & Resins, 900 Union Commerce Bldg., Cleveland OH 44115 (216) 771-5121.

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spred oil stain
SEMI-TRANSPARENT
DANGER! COMBUSTIBLE PAINT. HARMFUL OR FATAL IF SWALLOWED
See Other Cautions On Side
Glidden

HARDWARE

(Continued from page 45)

ELECTRICAL

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
10	—	P220 Manco ¾ x 66 vinyl elec tape	40,158	1.17	46,984.86
11	—	4484/D225 25' Trbilite plastic guard	7,056	5.99	42,265.44
12	—	3101/Pt4100 16/2 Rnd cord ext out	2,532	13.84	32,551.68
13	—	OLC 5 Hemco outdoor lite control	3,376	8.70	32,503.20
14	—	3656 16/3 100' Cord ext arctic	1,078	27.35	29,483.30
15	—	206/A106 6' Bm 18/2 cord ext ind	41,754	0.70	29,227.80
16	—	3653 16/2 100' Cord ext arctic	1,304	21.81	28,440.24
17	—	DR603 PC Lut 3-wy dmmr psh on/off	3,101	8.82	27,350.82
18	—	3327/UT425 16/3 Rd cord ext outdoor	4,250	5.67	24,097.50
19	—	306 A106 6' Wht 18/2 cord ext indoor	34,360	0.70	24,052.00
20	—	DNG600PC Lutr dmmr psh on/off lt	2,711	8.58	23,260.38

HOME IMPROVEMENT

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Yale LW5 entrance lockset boxed	32,631	11.83	386,024.73
2	2	Yale LW1 entrance lockset boxed	26,250	11.83	310,537.50
3	3	Master padlock comb 15000	58,546	3.19	186,761.74
4	4	Stormking door closer	23,710	5.09	120,683.90
5	8	Sec adjustable door closer	21,433	4.99	106,950.67
6	6	Yale single deadbolt	5,422	17.52	94,993.44
7	—	SK15 Sec storm dr latch	14,740	5.93	87,408.20
8	14	Galv city rural mail box	14,342	5.48	78,594.16
9	12	SK600 Sec knob latch close	12,788	5.95	76,088.60
10	—	SK950 Sec pshbttn ltch	11,190	6.00	67,140.00
11	—	Master padlock warded	28,985	2.28	66,085.80
12	9	Yale tumbler spring catch	7,161	7.96	57,001.56
13	—	Dexter entrance lock SP3632	3,115	16.61	51,740.15
14	18	SK960 Sec Colonial pushbutton latch	7,890	6.32	49,864.80
15	7	Yale dbl deadbolt V3221A	1,902	25.67	48,824.34
16	—	Yale passage lockset box	6,593	6.60	43,513.80
17	20	Taylor night latch	6,808	6.11	41,596.88
18	—	Common nails 1-lb box	44,550	0.93	41,431.50
19	—	Dexter SP4003 sing deadbolt	3,692	11.03	40,722.76
20	11	Sec SK12 adjust hyd door clos	5,370	7.02	40,224.60

PAINT SUNDRIES

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	WD-40 Rush preventative 9 oz	89,837	2.15	193,149.55
2	2	Macco liquid nail adhesive	108,528	1.33	144,342.24
3	—	EZ/Ideal 4-pc brush set	69,312	1.45	100,502.40
4	6	WD-40 Multiuse lub	36,744	2.61	95,901.84
5	7	101B Viking caulking gun	43,596	1.97	85,884.12
6	3	Masking tape ¾ x 60 yd	133,970	0.64	85,740.80
7	5	LC130 Macco white acrylic ltx caulk	43,800	1.80	78,840.00
8	10	P786/2061/330 Mask tape 2"	38,826	1.96	76,098.96
9	4	Krazy Glue 7-oz	50,156	1.37	68,713.72
10	—	Ideal 9" rlr/tray set 901S	37,255	1.75	65,196.25
11	—	P786/206/330 Mask tape ½"	39,384	1.47	57,894.48
12	11	Savo paint remover paste, gal	6,068	9.48	57,524.64
13	13	GE clear seal 3-oz	20,737	2.61	54,123.57
14	15	GE white tub seal 3-oz	20,399	2.60	53,037.40
15	17	Borden carpenter glue 8-oz	29,760	2.60	53,037.40
16	—	Ideal 9" delux 3-pc paint kit	16,776	3.15	52,844.40
17	—	P786/2061/330 Masking tape 1"	50,400	1.00	50,400.00
18	9	Macco caulking compound	62,758	0.79	49,578.82
19	—	Ideal twin cover	51,864	0.89	46,158.96
20	18	Savo paint remover nonflam liq gal	3,216	13.28	42,708.48

LAWN & GARDEN

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	T/T 7550 Trimmer elec 10"	7,339	26.74	196,244.86
2	—	9300 VIL/BLK Gas trimmer nyl line	7,830	17.36	135,928.80
3	1	500-50 Color ½ vinyl 2-ply hose	31,930	3.57	113,990.10
4	—	Toro cordless trimmer 51550	1,852	60.61	112,249.72
5	11	SLR Tempr l&handle rnd pt shovel	18,520	5.92	109,638.40
6	5	T/T 7600 Cordless weed whip 6"	3,689	29.54	108,973.06
7	—	Toro trimmer weeder 1100	1,797	56.70	101,889.90
8	7	Tempr SL22 springback leaf rake	14,809	6.51	96,406.59
9	—	Raid 1601 outdoor fogger 16.5	22,356	3.81	85,176.36
10	12	Melnor 61 rain osc sprinkler	16,488	5.14	84,748.32
11	—	Toro trimmer weeder gas 1400	407	201.14	81,863.98

(Continued on page 49)

Discount Store News

PMA®

6th Annual
Product Movement Audit

Energy Savers, DIY Items Hot

(Continued from page 45)

ply hose, two Temper shovels and Melnor's rain oscillating sprinkler showed a considerable decline in both unit and dollar sales against 1978. These losses may, in part, be explained by the difficulty many dealers had with holding prices on seasonal goods. On the other hand, buyers say lawn and garden department sales should be buoyed by skyrocketing gas prices which will keep many more consumers at home and gardening.

HAND TOOLS: Bernz fuel cylinders led the list, which showed that once again basics were carrying the department.

Stanley's assortment of Powerlock tapes, for example, were strong movers, proving out buyers' prediction that the group would continue to sell well despite price increases of approximately 12%.

Other favorites that are still going strong are Arrow staple guns, Bernz propane blow torch, and torch kit with plastic box.

PLUMBING: Five of 1979's top 10 were sump pumps.

In 1978, buyers gave the category good performance marks but generally felt the item was too seasonal and high priced to generate much traffic in discount stores.

The Reason Why

Last year, however, unusually wet spring and fall months coupled with heavy regional flooding made the category a best seller, and models with price points ranging from $49.91 to $100.54 bettered the previous year's volume by more than by two to one.

Other top sellers in the plumbing department: a promotional white wood toilet seat ($7.68) and U-Plumb's toilet tank repair kit ($6.09).

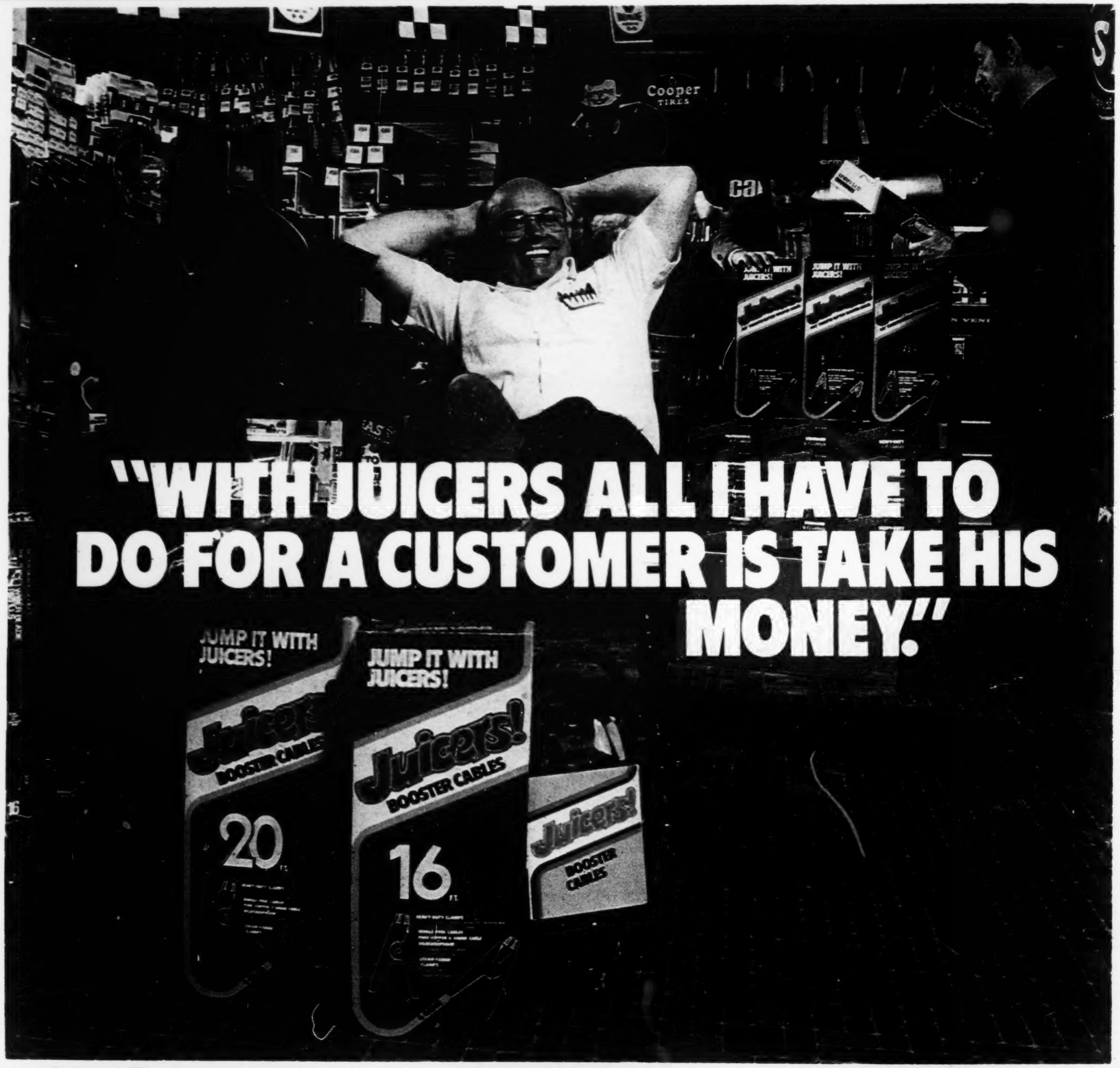
ELECTRICAL: For the second year in a row, dimmers and extension cords dominated sales. Last year's top performer was an outdoor extension cord with an average ticket price of $16.10.

Lutron's rotary dimmer, which led in 1978 in dollar sales, dropped to second place in 1979, but still showed an 11% gain.

HOME IMPROVEMENT: The selection of products demonstrates an area of growing concern to consumers: home security.

For the third year in a row, Yale's low-priced (LW 5) entrance lockset led the category, and higher-priced single deadbolts ($17.52) were making a strong showing. Double deadbolts, however, which had taken off two years ago, made a poor showing in 1979.

(Continued on page 49)



Juicers! The hottest new line of booster cables in the aftermarket in 1977. And this year Juicers delivers more sales power with new cable lengths, packaging, more price points—more profit for you.

MORE LENGTH.

When we found out demand for Juicers included more cable lengths, we did something about it. But we didn't just add a few random numbers.

We added the right cables. Fast-seller cables. With quality features and price points you can profit from—now in 8-, 12-, 16- and 20-foot lengths.

MORE STRENGTH.

Like we said. We added more than just length to Juicers line. We added strength—new packaging and price points, just jumping with profit potential.

New Juicers includes: Juicers in sleeves. Eye-catching packages with seven of our fastest selling 8-, 12-, and 16-foot cables.

Plus: Juicers in poly-bags. Super economy cables shipped to you into a self-stocking quantity merchandiser.

And important price points for the volume selling you need.

Juicers!®

A product of Wells Mfg. Corp.
Fond du Lac, WI 54935 • (414) 922-5900

JUICERS STARTER PACKAGE PLUS.

Last year's popular Merchandising Starter package is still available. With four 12-foot, quality cables in Economy, Standard, Heavy-duty and Professional styles.

But if you want to supplement your Starter Package, you can. With a choice of two, 16-foot lengths—one Heavy-Duty and one Professional. Plus, one 20-foot Professional style. All boxed, built to last, and tangle-free.

Call Andy Micklos, National Sales Manager, to find out more about Juicers.

Discount Store News

PMA®

6th Annual Product Movement Audit

DIY Items Hot

(Continued from page 46)

ENERGY SAVERS: Energy-saving products continued to rank high on consumer shopping lists last year. One product in particular, Perfection's portable space heater, turned in an outstanding performance with unit sales showing a 42% increase.

Plastic window sealers were also strong sellers again last year as consumers tried to save on heating bills by covering windows with protective plastic sheets. Their prices, however, like those of other petroleum-based items, registered substantial increases over last year.

PAINT SUNDRIES: Krazy Glue dropped from first place to ninth last year, replaced by WD-40's 9-oz. can of Rust Preventative.

Basics continued to carry the department. Masking tapes, caulk, paint remover, sealers and adhesives all continued to do a good job for discounters.

PAINT: The most popular products in last year's PMA were Borden's Krylon white and black gloss paints which continued to hold the No. 1 and 2 spots they grabbed last year.

Other Stem-supplied best-sellers were Borden's Krylon semi-flat black and Rustoleum gloss white.

HARDWARE

(Continued from page 46)

LAWN & GARDEN

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
12	3	Keller 58-P leaf/lawn rake	33,120	2.45	81,114.40
13	6	SLO Tempr l&handle rnd pt shovel	15,582	5.17	80,558.94
14	8	SB14 Tempr bow rake	13,920	5.78	80,457.60
15	—	Toro 51100 10" elec chain saw	1,343	58.06	77,974.58
16	—	Raid house/garden 1671	24,960	3.12	77,875.20
17	19	Cardinal garden glove	44,640	1.42	63,388.80
18	—	Prmnt 700PM edge trmr ¾ HSP	994	62.00	61,628.00
19	—	Melnor 970C gun hose nozzle	44,563	1.38	61,496.94
20	—	LR22 Tempr lawn rake	10,560	5.76	60,825.60

ENERGY SAVERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	730 Perfection portable heater	10,824	34.88	377,541.12
2	—	G2420 Garbage bag HD 26 gal/20cn	151,795	2.42	367,343.90
3	—	BTP650 Cherrin 6 x 50 poly plast	13,716	7.44	102,047.04
4	—	16' Aluminum extension ladder	1,715	57.47	98,561.05
5	—	24' Aluminum extension ladder	788	101.03	79,611.64
6	—	5' Wood stepladder	3,476	22.26	77,375.76
7	—	BTP 850 Cherrin 8 x 50 poly plastic	7,662	9.91	75,930.42
8	—	6' Alum stepladder household	1,930	38.73	74,748.90
9	—	2' Wood step stool	8,130	8.89	72,275.70
10	—	20' Alum extension ladder	872	80.47	70,169.84
11	—	050/17000 Clear vinyl runner 27 x 152	575	115.87	66,625.25
12	—	30 x 60 Plaskolite .100 clear plastic	4,240	15.28	64,787.20
13	—	6' Wood stepladder special	2,515	25.69	64,610.35
14	—	X18A T/Temper alum snow shovel	8,766	7.16	62,764.56
15	—	Hoyne clear mirror tile	4,744	13.13	62,288.72
16	—	32 x 42 Plaskolite .100 clear plast	5,320	11.41	60,701.20
17	—	BTP350/MS750 Cherrin 3' x 50'	14,869	3.85	57,245.65
18	—	40302-36-1 Peer chain PRF-1/4-1	441	128.63	56,725.83
19	—	24 x 30 Plaskolite .100 clear plastic	8,880	6.13	54,434.40
20	—	28 x 32 Plaskolite .100 clear plastic	7,130	7.61	54,259.30

Black & Decker products have been broken out separately this year to better reflect product movement in the power tool category.

BLACK & DECKER

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	7308 7¼" circ saw	22,459	30.32	680,956.88
2	—	79-001 Workmate single ht	10,999	40.21	442,269.79
3	—	7127 ⅜" Var speed drill	22,777	18.69	425,702.13
4	—	7300 5½" Circ saw	13,724	23.58	323,611.92
5	—	7504 Jig saw dbl insul	23,700	11.09	262,833.00
6	—	7104 ⅜" Drill	18,373	13.79	253,363.67
7	—	7404 Sander dbl insul	13,263	17.77	235,683.51
8	—	79-001 Workmate 29" dual ht	1,811	84.51	153,047.61
9	—	7390 7¼" Deluxe circ saw	3,360	39.21	131,745.60
10	—	7190 ⅜" Drill	4,134	26.48	109,468.32
11	—	7580 Var speed jig saw	4,241	25.27	107,170.07
12	—	8206 Grass trimmer nylon line	5,532	16.43	90,890.76
13	—	79-020 Bench top workmate	2,672	33.64	89,886.08
14	—	7530 Jig saw 2-speed	4,938	17.53	86,563.14
15	—	7480 Sander/orbital ½T	1,869	35.72	66,760.68
16	—	71-013 13Pc H/S drill set	5,598	7.99	44,728.02
17	—	7900 5" Bench grinder	1,445	28.33	40,936.85
18	—	7554 Reciprocating saw	758	50.95	38,620.10
19	—	71-015 Dial-A-Matic 1/16-1	4,592	8.06	37,011.52
20	—	7436 Sander dual/act ⅓SHT	1,220	25.94	31,646.80

Source: Stem Distributing

PROMO POWER. Often hard-to-get promotional power tools continue to be a crucial and best-selling staple of Woolco and other discount store hardware departments. (DSN photo)

KEEP YOUR HANDS OFF MY STUFF.
KEEP OUT
LOCK NESS MONSTER
Lock onto some Back to School Security
SnapShuts
KEEP OUT

Funny, security never sold like this before.

SnapShuts: The Big Back-to-School Craze!

Lock designs with kids in mind. Looks and style that shout, "Hey! That's me." Statements as unusual as the young lifestyles of today. But a lot more practical and affordable.

And a lot more profitable for you.

SnapShuts are rugged and perfect for locker rooms. Displayed for young impulse-buyers in colorful, kooky six and twelve packs. Get the great new fad in padlocks selling for you. Contact your Corbin Cabinet Lock representative.

Corbin

EMHART

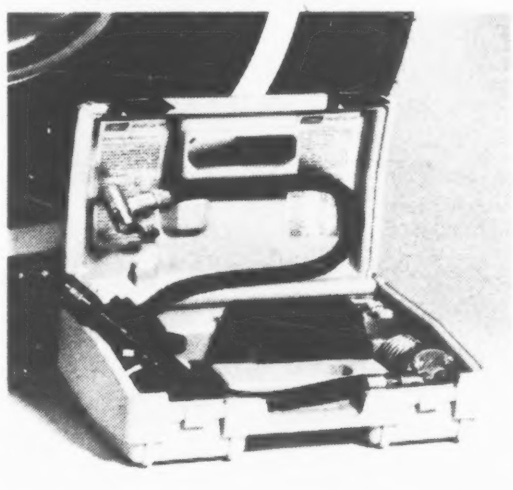
Money Out of Air

That's what you make when you display Coleman's mighty mini-compressors: the Inflate-All 150 and Shock Pump. They're both loaded with consumer appeal for the '80s. Time saving. Gas saving. Rubber saving. Money saving. And backed by the famous Coleman quality reputation.

INFLATE-ALL 150™

"No air? No sweat!" Here's the perfect way to maintain proper tire inflation for better gas and tire mileage. Operates off of 12-v auto cigarette lighter...pumps up to 150 p.s.i.

For passenger tires...4WD, pickup and RV tires... motorcycle and bike tires... air shocks...sports balls... dozens of other uses. Sells on sight.



SHOCK PUMP™

"The right ride...right at your fingertips." Lets your customer pump up air shocks from inside his car...adjust his ride while he rides. Saves gasoline, tires, suspension, trouble. Simple 3-step installation. Includes heavy-duty 175 p.s.i. 12-v compressor, remote control panel that mounts under dash...plus wire, hose line, connectors and hardware. Tire inflator hose available as a separate accessory. Tie one into every air shock sale.

For the name of your sales rep — Write to Automotive Products, The Coleman Company, Inc., 250 North St. Francis, Wichita, KS 67201.

Coleman®

The Coleman Company, Inc. • Wichita, Kansas

Discount Store News

PMA

6th Annual
Product Movement Audit

Maul, Axe, Wedge Log Strong Biz

Hardware product trends pinpointed by dealers in late 1978 continued to hold true throughout 1979, according to the Product Movement Audit figures supplied by Hardware Distributors, Secaucus, N.J.

Woodchopping tools, which were expected to perform well as energy-conscious consumers jumped on the wood-burning stove and fireplace bandwagon, had a strong season.

The most popular item in this category and in the hand tool category as a whole was a 6-lb. maul which retailed for $19.99. Other wood-related best-sellers included a single-bit axe, and a 4-lb. splitting wedge.

Arrow's T50 staple gun and tacker also sold well, ranking second in overall category sales.

Lose Ground

The five-piece imported wrench set, however, which had topped the list in 1978, dropped to fifth place last year despite maintaining an attractive $4.99 promotional price point.

Angle wrench, hack saws, pliers and other department staples continued to provide the department with meat and potato sales.

In power tools, Black & Decker's promotional (#7504) jigsaw captured first place in 1979's audit, unseating the 7¼-in. circular saw which had held first place the year before.

Unfortunately, the promotional tool supply problems which dogged the giant manufacturer last year soon became

(Continued on page 54)

HARDWARE

Figures for these hardware PMA tables cover the calendar year 1979. They were supplied by Hardware Distributors, Secaucus, N.J. Hardware Distributors covers 350 stores, including 141 discount department stores, in 20 states east of the Mississippi River. Average retail prices listed by the distributor reflect typical price points for discount clients.

HAND TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Council 6-lb Woodchopper maul 361	4,079	19.99	81,539.21
2	Arrow T50 Staple gun tacker	2,704	19.99	54,052.96
3	Ames Sngl bit axe 32 in hndl	2,113	16.99	35,899.87
4	Top-Qual 5-pc Comb wrench set	6,337	4.99	31,621.63
5	Council 8-lb Sledge hammer W/32 in	1,367	19.99	27,326.33
6	Cooper Grp Y25 ¾x25 ft Yel Mezurlok	2,227	11.99	26,701.73
7	Top Qual 5-pc Open-end wrench set	3,576	5.99	25,570.55
8	Peterson C10CR Vise-Grip wrench	3,316	7.49	24,836.84
9	Omega Tool 514 14-in Pipe wrench	2,408	9.99	24,055.92
10	Council 4-lb Splitting wedge red	3,312	6.99	23,150.88
11	Fuller Tool 7218 16-0z Stl claw hammer	3,151	6.99	22,025.49
12	Arrow JT21 Junior staple gun	2,138	9.99	21,358.62
13	USM Corp. K110 Pop-rivetool kit	2,138	8.99	21,396.20
14	Fuller tool 8-in Adj angle wrench #8	3,576	5.99	21,420.24
15	Fuller 10-in Adj angle wrench #1	2,569	7.49	19,241.81
16	Fuller 192-6½-in Longnose pliers	3,366	5.29	17,806.14
17	Stanley H1265 8- to 12-in Adj hack	2,349	7.49	17,594.01
18	Stanley 1222 ½ 12-in Comb square	2,881	5.99	17,257.19
19	Petersen C5WR Vise-Grip wrench	3,025	5.59	16,909.75
20	Channelock 420G 9-in Pump plier	2,150	7.49	16,103.50

HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Gemini ST10 Mailbox RFD#1 galv	2,911	6.79	19,765.69
2	Ferum Grey shelf brackets 10x1	19,081	0.89	16,982.09
3	Arno Tapes RT25 2-in Ductape	10,033	1.79	16,955.77
4	Gemini RK10 RFD#1 Mailbox kit	662	21.99	14,557.38
5	Gemini ST10B Mailbox RFD#1 black	1,966	7.29	14,332.14
6	Ideal SK600 Tulip knob latch silver	1,918	6.99	13,406.82
7	Ferum Shelf bracket 8x10 gray	22,674	0.59	13,377.66
8	Gemini ST15 Mailbox RFD#1-½ G	817	14.99	12,246.83
9	Arno Tapes B704 14 yds Tiger tape	4,223	2.89	12,204.47
10	Arno Tapes B701 4 yds Carpetak cloth	7,344	1.49	10,942.56
11	Gemini PBK Mailbox post black	1,203	8.99	10,814.97
12	Ideal Sec SK95 Doorcloser silver	2,178	4.99	10,868.22
13	Amalgamated NBH65 50 ft Nylon braid rop	3,228	3.29	10,620.12
14	Hyko Prods MM2 96pc 1-in Letters & numbers	7,928	1.29	10,227.12
15	All Amer 50# Bulk 10D common nails	372	24.50	9,114
16	Ideal Sec SK11 Pushbutton latch silver	1,393	6.99	9,737.07
17	Amalgamated NT184 275 ft Nylon twine ro	6,190	1.59	9,842.10
18	Homecraft Brown cork board 12x12 4	5,575	1.69	9,421.75
19	Gemini Alio mailbox RFD#1 alumi	833	10.99	9,154.67
20	Ideal Sec SK11AC Pushbutton latch	1,267	6.99	8,856.33

POWER TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	B&D 7504 Jig saw	15,246	10.99	167,553.54
2	B&D 79001 v/p dlx Workmate	1,492	79.99	119,345.08
3	B&D 7308 7¼-in Circ saw	2,358	30.99	73,074.42
4	B&D 7300 5½-in saw	3,025	23.99	72,569.75
5	B&D 7404 Finishing sander	2,953	17.99	53,124.47
6	B&D 7530 2-spd Jig saw	2,989	17.99	53,772.11
7	B&D 79-003 Workmate single h	1,058	22.99	38,439.28
8	B&D 7130 ⅜-in Value plus drill	1,672	13.99	35,968.29
9	B&D 7127 ⅜-in Drill vsr	1,446	18.99	27,459.54
10	B&D 79020 Table top Workmate	781	34.99	27,327.19
11	B&D 7190 ⅜-in drill vsr	944	26.99	25,478.56
12	B&D 7004 ¼-in drill	2,100	10.99	23,079.00
13	B&D 7580 vs Jig saw ⅓-hp v	379	54.99	20,841.21
14	Shelton 5-gal Wet/dry vacuum cln	379	69.99	21,066.99
15	All Power P30 Pedestal sump pump 1	131	89.99	11,788.69
16	B&D 7204 ½-in drill	376	26.99	10,148.24
17	Wen PR19 18-in Belt Sander bl	198	54.99	10,888.02
18	Wen 943 2-spd Sander/polish	197	54.99	10,833.03
19	Flotec U16 Utility sump pump	191	59.99	10,503.09
20	B&D 7390 v/p 7-1-in Dlx cir	189	43.99	8,314.11

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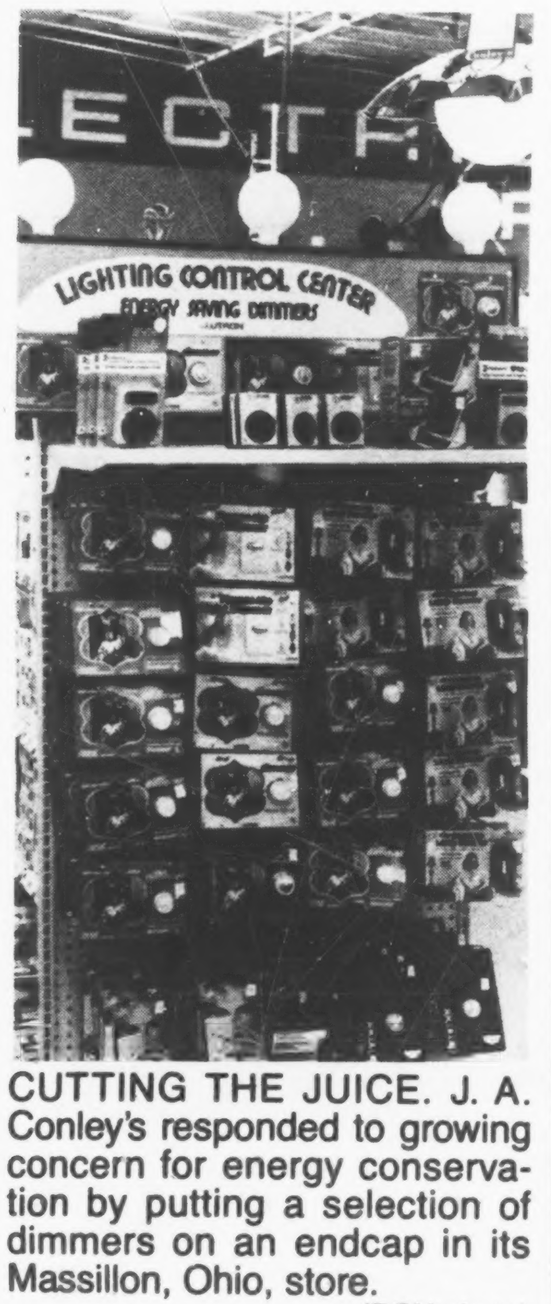

CUTTING THE JUICE. J. A. Conley's responded to growing concern for energy conservation by putting a selection of dimmers on an endcap in its Massillon, Ohio, store.
(DSN photo)

Solve six of your customers' worst glue problems with one handy package.
NEW TECHNOLOGY
ANOTHER PRODUCT OF LOCTITE TECHNOLOGY
DURO
DEPEND
NO MIX Adhesive
• Out-performs ordinary glues
• Works on oily and porous surfaces
• Durable, water resistant
• Epoxy strong
• Bonds in 60 seconds
DURO DEPEND
DEPEND ACTIVATOR
NET .12 FL. OZ. (3.5 ml)
ADHESIVE: NET .16 FL. OZ. (4.8 ml)
ACTIVATOR: NET .12 FL. OZ. (3.5 ml)
MTB-1

HARDWARE

(Continued from page 52)

ELECTRICAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Carol Cbl 03354 16⁄3 50 ft Red orang	10,842	9.99	108,311.58
2	Carol Cbl 03302 16⁄3 100 ft Red orang	5,096	18.99	96,773.04
3	Gemini J-51 Element TV anten	713	69.99	49,902.87
4	Manco tape ¾x60 ft PVC u/l electri	38,082	0.99	37,701.18
5	Gemini Solid state rotor MR-2	534	59.99	32,034.66
6	Gemini G-18 18 Element TV anten	920	31.99	29,430.80
7	Roger Elec. TV wire roam 100 ft TVF	3,729	7.79	29,048.91
8	Gemini G-26 26 Element TV anten	512	49.99	25,594.88
9	Gemini HD10 9-ft Steel antenna m	2,950	8.29	24,455.50
10	Cable Elec 6013-9 9 ft Ext cord brn	19,750	1.19	23,502.50
11	Carol Cbl 03151 16⁄2 50 ft Red orang	2,496	8.99	22,439.04
12	Gemini G-12 12 Element TV anten	979	21.99	21,528.21
13	Gemini Ind ant 12 posit gem-20	1,426	14.99	21,375.74
14	Roger Elec Shielded TV wire 100 ft	1,063	19.99	21,249.37
15	Cable Elec 6013-6 6-ft Ext cord brn	21,100	0.99	20,889.00
16	Carol Cabl 03327 16⁄3 25 ft Red orang	3,150	6.49	20,443.50
17	Carol Cabl 03703 16⁄3 100 ft Flat or	932	17.99	16,766.68
18	Cabl Elec 6013-15 15 ft Ext cord b	11,830	1.39	16,443.70
19	Carol Cabl 03752 16⁄3 50 ft Flat orn	1,581	9.49	15,003.69
20	Roger Elec TV wire clear 100 ft TV	3,711	3.99	14,806.89

GLUES, LUBRICANTS AND ADHESIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	G200BX Krazy glue 2gm	44,399	1.59	70,594.51
2	Gripper super glue SGH	30,265	0.99	29,962.35
3	NO 910 Eastman adhesive	16,692	1.79	29,878.68
4	SUP1 Super glue 3gm tu	17,455	1.69	29,498.95
5	Woodhill GM1 Gluematic pen	5,040	3.79	19,101.60
6	Miracle 401 6 oz Acrylic caulk wh	7,272	1.79	13,016.88
7	Clear seal GE2562 01DP	4,259	2.99	12,734.41
8	Weldit cement 1½ oz	10,068	1.19	11,980.92
9	Tub seal GE 2561 71D	3,821	2.99	11,424.79
10	WD-40 9-oz can lubricant	3,769	2.39	9,007.91
11	Woodhill LS1 Liquid steel filler	4,884	1.49	7,277.16
12	Boyle 8596 ¼-lb Can plastic wood	5,999	1.19	7,138.81
13	Woodhill NJ1 Naval jelly 8 fl oz b	2,683	2.49	6,670.67
14	Woodhill TPX5 E-pox-e glue clear 3	3,900	1.69	6,591.00
15	Advance 2902 Instant vinyl	3,435	1.89	6,492.15
16	Weldit Leak stopper 1½ oz	4,320	1.49	6,436.80
17	Woodhill EPX1 E-pox-e glue 1 fl oz	4,280	1.49	6,377.20
18	Borden E810 Contact cement 1 oz	6,888	0.89	6,130.32
19	Ruscoe P612 Pliobond glue 3 oz b	3,192	1.79	5,713,68
20	Woodhill PR1 Plastic rubber black	3,565	1.59	5,668.35

LAWN AND GARDEN

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Toro 51225 Trimmer No 900	17,427	24.99	435,500.73
2	Toro 51425 Trimmer No 1200	2,400	59.99	155,976.00
3	B & D 8206 Spin grass trimmer	8,146	17.99	146,546.54
4	Toro 51325 Trimmer No 1100	2,431	49.99	121,525.69
5	Toro 51550 cordless trimmer	2,000	59.99	119,980.00
6	Plymouth ½ x 50 ft 100% vinyl	22,874	3.99	91,267.26
7	Union Fork AR248F No 2 LH Shovel round	8,172	7.99	65,294.28
8	Plymouth ½ x 50 ft Nylon reinfc	10,098	5.99	60,487.02
9	Plymouth ⅝ x 50 ft Hi pres rubb	5,334	9.99	53,286.66
10	Plymouth ⅝ x 50 ft 4-ply All weather	5,833	7.99	46,605.67
11	Union Fork YB4-4½ LH Rnd Bow RA	6,058	7.49	45,374.12
12	Sterns 13 5 lb Miracle-gro	5,424	7.99	43,337.76
13	B & D 8114 13-in Dble hedge tr	1,379	29.99	41,356.21
14	St. Marks 24-in Bamboo rake assemb	7,748	4.99	38,662.52
15	St. Marks 30-in Bamboo rake assemb	6,192	5.99	37,090.08
16	Melnor 61 Oscillating sprkler 220	4,177	7.99	33,374.23
17	Gilmore 573C Hose nozzle zinc st	10,740	2.79	29.964.60
18	Plymouth ⅝ x 100 ft 4-ply All weat	1,523	15.99	24,352.77
19	Melnor 9950C Spike pulsat sprnk	2,365	9.99	23,626.35
20	Melnor 69 Oscillating sprkler 2	1,945	11.99	23,320.55

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Discount Store News

PMA®

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Product Movement Audit

Maul, Axe, Wedge Gain

(Continued from page 52)

the industry's problem, and few wholesalers and retailers were able to report carrying an inventory adequate to meet consumer demand.

Despite product shortages, however, B & D promotional products held most of the positions on last year's charts. Only a handful of other products, most notably two sump pumps which retailed for $89.99 and $25.99, Wen's pencil engraver ($6.99) and two $54.99 sander/polishers, made it to the top 20 list.

String trimmers had a good year in 1979, garnering the top five positions in lawn and garden. B & D's spin grass trimmer was No. 1 in 1978, but was followed by bamboo rakes and vinyl hoses.

More Winners

Last year, the leading string trimmer was Toro's 900 model which had an average retail price of $24.99. B & D's trimmer dropped to third place, and other step-up models ($49.99 and $59.99) by Toro performed well.

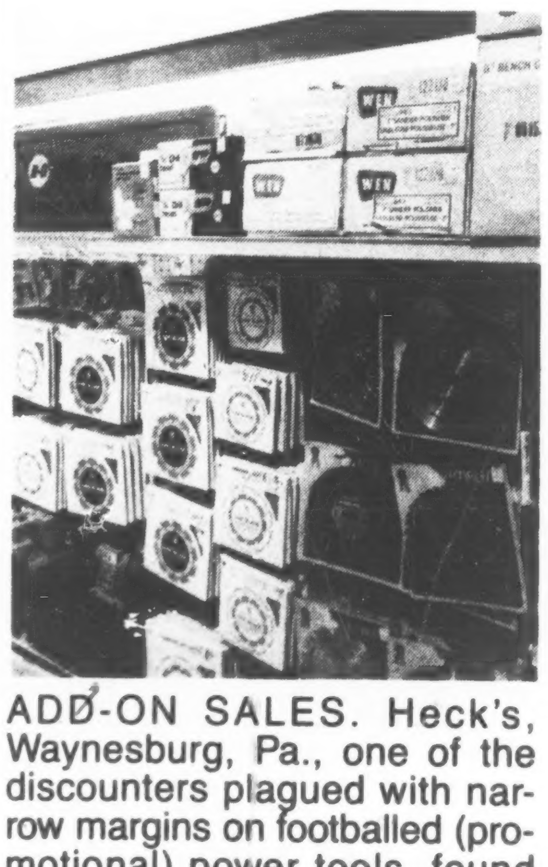
Small-ticket basics continue to be strong sellers in discount store hardware departments: duct tape, nails, twin and cork board squares.

Inexpensive shelf brackets (59¢) which streamed out of discount stores in 1978, as component shelving systems became even more popular, prompted some fashion-conscious consumers to trade up. And several buyers report carrying on a successful business in more expensive brackets.

Mailboxes, available in step-up price points from $6.79 to $14.99, also had a good year, as did a profitable mailbox kit which retailed for $21.99.

In seasonal products, window and door insulation materials, duct cloth and storm window kits grabbed the top three positions, as consumers

(Continued on page 55)



ADD-ON SALES. Heck's, Waynesburg, Pa., one of the discounters plagued with narrow margins on footballed (promotional) power tools, found profits in power tool accessories. (DSN photo)

UNFORTUNATELY, THESE ARE HOT ITEMS.

Burglaries, rapes, vandalism and other crimes against people in their homes are going up and up.

So is consumer demand for effective, affordable security-alarm systems.

We have the products—The *Emhart* Security Blanket—that can give your customers the protection they want and need, and that you can sell.

Emhart alarms and systems cover the price points from bottom to top, with full-profit suggested list prices from about $25 to $250.

And now we're introducing another precedent-setter: *The Emhart Burglar Alarm,* a complete perimeter alarm system for under $100!

With crime going the way it is, we sadly predict these *Emhart* alarms and systems can be very hot items for you in 1980.

the EMHART Home Alarm

Professional-type wireless perimeter system warns of intruder *before* he can enter. 15-minute installation. $249.95*

the EMHART Door Alarm

Turns any door knob into a burglar alarm, even on metal doors. Great for travelers. $24.95*

the EMHART Apartment Alarm

Electronically identical to Home Alarm, just less of it. Ideal for smaller homes, condos, etc. $189.95*

the EMHART Vectalert

Photoelectronic, portable burglar barrier. Movement within that field sets off alarm. Plug-in installation. $54.95*

Accessories

Expandable Home and Apartment Alarm systems are perfect for add-on sales of these in-demand accessories.

*Suggested list

THE EMHART™ SECURITY BLANKET

Manufactured and sold by Notifier Company, a subsidiary of Emhart Industries, Inc
560 Alaska Avenue, Torrance, CA 90503
PHONE (213) 328 8670 TWX 910 349 7522

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EMHART
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Home or Apartment Alarm Accessory
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Auxiliary Transmitter
Emergency Alert Transmitter

Discount Store News

PMA ®

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Maul, Axe, Wedge Gain

(Continued from page 54)

struggled to get a handle on skyrocketing fuel costs by weatherizing their homes.

Auto heat tapes, caulking, and fiberglass pipe insulation also sold well in 1979.

Repair kits associated with the most common around-the-house plumbing problems were the top rankers in last year's plumbing product audit.

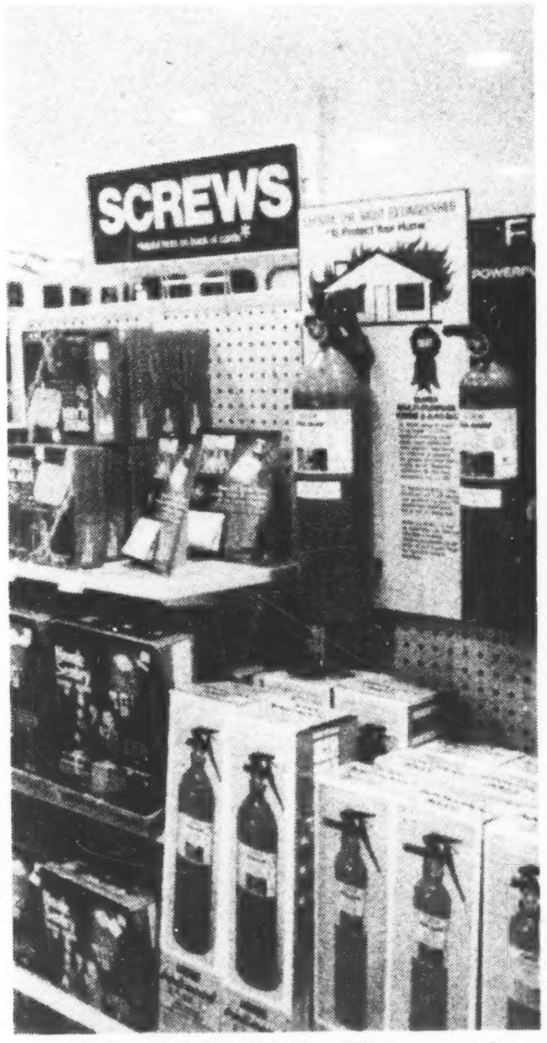
Problems Seen

And until efforts by manufacturers to improve packaging entice would-be plumbers into more sophisticated repair jobs, most discounters will keep plumbing department supplies simple, basic and under $10.

In the electrical department, however, some big-ticket products are making headway, most notably TV antennas.

The backbone of the depart-

(Continued on page 59)



HOME SAFETY. Fire extinguishers get shelf space adjacent to home alarms at Woolco's Westheimer Road outlet in Houston. (DSN photo)

Profit Soars 28% For Empire Crown

EDEN PRAIRIE, Minn.—Empire Crown, auto specialty chain and lessee in discount stores, recorded a 28% increase in profits last year.

Although sales rose only 7% from almost $23.7 million to $25.4 million, the chain increased earnings from $316,764 to $406,392. Income per share rose from 30¢ in 1978 to 43¢ in 1979.

Empire Crown, which earlier this year backed out of its proposed acquisition by the Whitlock Corp., operates 37 Crown Auto stores, and 14 automotive departments in discount stores in Minnesota and Wisconsin. Whitlock has filed suit to force the company to agree to a merger.

HARDWARE

(Continued from page 54)

PLUMBING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Melard 1600 Toilet tank repair	2,144	7.99	17,130.56
2	Melard 1422 Super plunger	3,181	3.99	12,692.19
3	Melard 361 Shower head w/flow A	1,446	8.49	12,276.54
4	Melard 1725P 25-ft Power rooter	585	19.99	11,694.15
5	Melard 14206 6-in Force cup w/21	6,721	1.69	11,358.49
6	Melard 1501 3 ½-in Basket strai	5,090	2.19	11,147.10
7	Melard 2511 1½1-inx2 yds Duct tape	3,691	2.79	10,297.89
8	Melard 1408 Plumbing repair kit	4,471	2.29	10,238.59
9	Melard 1601 Plastic ballcock	1,699	5.29	8,987.71
10	Melard 1801 6-ft Washing machine hose	1,830	4.29	7,850.70
11	Melard 2510 Dryer vent kit	967	7.99	7,726.33
12	Melard 1715E 15 ft ¼-in Drain A	1,832	3.99	7,309.68
13	Melard 1725H 25 ft ⅜-in Drain A	751	9.49	7,126.99
14	Melard 1762 25-ft Canister auger	633	10.99	6,956.67
15	Melard 1406 Tank ball w/tip & r	5,353	1.29	6,905.37
16	Melard 360 Executive shower hea	1,356	4.99	6,766.44
17	Melard 20903 1 ½-in J-bend/kitc	1,255	4.99	6,262.45
18	Melard 1619 Flapper tank ball	3,469	1.79	6,209.51
19	Melard 143 Spray/aerator F w/m	2,239	2.39	5,351.21
20	Melard 312 Rubber bath spray	2,029	2.49	5,052.21

LIGHT BULBS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	GE 60A/W Soft-white 4/sleev	45,072	0.85	38,311.20
2	GE FC12T9/SW 121N Dia soft	3,324	9.90	32,907.60
3	GE 150PAR/FL Outdoor flood	4,615	5.65	26,074.75
4	GE 75A/W Soft-white 4/sleev	31,248	0.85	26,560.80
5	GE 100A/W Soft-white 4/sleev	29,712	0.85	25,255.20
6	GE F40SW 48-in Soft-white	7,254	3.10	22,487.40
7	GE 40A/W Soft-white sleev	26,352	0.85	22,399.20
8	GE 50/150 3-way Med Soft-white	12,156	1.75	21,273.00
9	GE 30/100 3-way Med Soft-white	11,172	1.75	19,551.00
10	GE 60A Inside frosted 4/sleev	24,096	0.81	19,517.76
11	GE FC8T9/SW 8-in Dis Soft-white	2,100	9.20	19,320.00
12	GE F20T12/SW 24-in Soft-white	4,992	3.80	18,969.60
13	GE FBS25/WX 25-in Bright stik	1,158	15.95	18,470.10
14	GE 25A/W Soft-white sleev	19,920	0.92	18,326.40
15	GE 100A Inside frosted 4/sleev	19,488	0.81	15,785.28
16	GE 40A15 Appliance inside F	15,984	0.99	15,824.16
17	GE 4C7 Nite lite clear 2/cd	12,096	1.30	15,724.80
18	GE 7C7/W Nite lite white 2	11,244	1.38	15,516.72
19	GE F15T8/SW 18-in Soft-white	3,510	4.15	14,566.50
20	GE 75A Inside frosted 4/sleev	17,136	0.81	13,880.16

SEASONAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Poly-Tech 10x25 ft Wind/door insul	7,071	6.29	44,476.59
2	Amer. Built 2-in x 10 yds Duct cloth	19,176	1.29	24,737.04
3	Thermwell Storm window kit P-714	14,528	1.49	21,646.72
4	Wrap On 13 ft u/l Auto heat tapes	1,155	15.99	18,468.45
5	Wrap On 9 ft u/l Auto heat tapes	1,376	11.99	16,498.24
6	Wrap On 6 ft u/l Auto heat tapes	1,185	12.99	15,393.15

(Continued on page 59)

DURETHENE.
The double pane StormWindow. It's a whole new dimension in energy savings!

Ingenious double pane window sealing system doubles the protection against fuel loss—at dramatically lower cost per window!

The Durethene System:
Four rigid self-sticking moldings, creating a ½ inch insulating thermal barrier around two crystal-clear plastic sheets. Adheres firmly to wood or aluminum molding INSIDE the home to dramatically cut heat loss and air-conditioning energy costs.

A whole new dimension in profits for you:
Spectacular color-keyed packaging requires less space in the store—carries home easily. Sizes are available for every size window. Encourages customers to protect their entire home with ingenious Durethene StormWindows!

Striking Durethene Merchandiser "Sell Centers":
with "how-to" booklet holders attract interest—require less floor space to perform a spectacular merchandising job in every store. Choose from displays "tailored" to your size store.

And you can also sell plenty of Durethene Plastic Sheeting.
Exciting colorful metal rack displays build your plastic sheeting business by attracting and informing your customers of the 101 uses inside and outside the home.

Call toll-free for nation-wide direct-dial service.
(800) 621-0620
In Illinois call: (312) 586-3300.

ARCO Durethene has you covered with heavy national advertising in the magazines do-it-yourselfers read most!

Another Energy Saving Product from
ARCO Durethene Plastics, Inc.
Subsidiary of ARCO Polymers, Inc.
7001 West 60th Street, Chicago, Illinois 60638
Sales and distribution centers in Chicago, Long Beach, Pittsburgh, Seattle and Scranton.

©1980 ARCO Durethene Plastics, Inc.

Discount Store News

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Corning Action Bothers Chains

(Continued from page 24)

December, not at the end of January as it first announced it would do.

"Elimination of the catalog prices means the company can change prices any time and in any amount it wants to; it becomes harder for us to track what they are doing."

The manufacturer's decision to ship selected retailers direct was cited in another fashion as a factor in dropping catalog prices.

"Catalog prices would have locked in retailers buying direct and given us some idea on how they were buying," one discounter said. "Without the catalog prices, these direct-buy chains can use any pricing they want, including being very sharp on some items for traffic and getting any markup they want on other items to offset the lowball prices."

HIGH TIMES. FedMart, Houston, plays up fashion in bath shop by using high, hypermarket display technique to show newest, most colorful merchandise. (DSN photo)

In the Northeast

(Continued from page 30)

CLEANING & CHEMICALS

1	3M 16-oz Scotch Guard
2	White Labs 16-oz X-14
3	Johnson 14-oz Pledge, lemon
4	Drackett 26-oz Drano
5	Glamorene 24-oz Spray 'N Vac

BATH SHOP

1	Selfix port shower spray
2	Selfix shampoo spray
3	Ekco 18" towel bar
4	Ekco toilet tissue hlder
5	Selfix twin hooks

RUBBERMAID

1	20-gal Refuse container
2	10¾" hi Rect Lndry bsk, choc
3	Self-closing Wastebasket, choc
4	10¾" hi Rect lndy bskt, gld
5	10¾" Drainer tray, gold

CORNING WARE

1	Menu-ette set, Cornflower
2	6-cup Teapot, Spice
3	Sidekick
4	Menu-ette set, Spice
5	6-cup Teapot, Wildflower

PYREX WARE

1	3-qt Bake dish w/basket
2	4-qt Mixing bowl
3	2-qt Casserole w/bskt
4	Bake 'n' Serve set, Fireside
5	2-ltr Beverage jug

HOUSEWARES

(Continued from page 30)

CLEANING & CHEMICALS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
3	Johnson 14-oz Pledge, lemon	11,448	2.60	29,764.80
4	Drackett 26-oz Drano	8,325	2.87	23,892.75
5	Glamorene 24-oz Spray 'N Vac	8,862	2.69	23,838.78
6	Johnson 27-oz Future	6,924	3.41	23,610.84
7	Liquid Gold 14-oz aerosol	6,926	3.23	22,370.98
8	Magic 13-oz Panel Magic	8,732	2.42	21,131.44
9	Bissell 14-oz aerosol upholstry kit	4,524	4.67	21.127.08
10	Johnson 24-oz Pledge	6,696	2.87	19,217.52
11	Johnson 14-oz Pledge	7,296	2.60	18,969.60
12	Missouri Hickory 10-oz Tannery spray	7,806	2.42	18,890.52
13	Missouri Hickory 13-oz Tannery liquid	7,243	2.42	17,528.06
14	Texize 64-oz Fantastic refill	5,390	3.23	17,409.70
15	Texize 22-oz Glass Plus spray	8,664	1.97	17,068.08

GADGETS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Swing-A-Way prtbl hnd can opener	11,780	3.59	42,290.20
2	Rhodes timer, white	4,469	5.66	25.294.54
3	Ekco can opener w/bottle opener	30,077	0.82	24,663.14
4	Ekco 3-way can opener	17,122	1.25	21,402.50
5	Gemco food chopper	8,170	2.24	18,300.80
6	Ekco can opener, plastic handle	9,657	1.88	18,155.16
7	Rhodes timer, gold	3,135	5.66	17,744.10
8	Ekco 8" colander-strainer	6,555	2.69	17,632.95
9	Ekco peeler	27,531	0.62	17,069.22
10	Ekco 2⅛" barrel rolling pin	5,147	3.05	15,698.35
11	Foley 2-qt food mill	1,981	7.64	15,138.84
12	Range Kleen 6" reflector pan	11,148	1.35	15,049.88
13	Bonny hand can opener	4,529	3.32	15,036.28
14	Chaney meat thermometer	7,914	1.79	14,166.06
15	Range Kleen 8" reflector pan	7,815	1.80	14,067.00

PLASTICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Demand Mkt Sesame Street tumbler	19,782	0.98	19,386.36
2	Republic 1-qt uprite Freezette	6,662	2.51	16,721.62
3	Republic 1-pt uprite Freezette	6,319	2.51	15,860.69
4	Lustro-Ware 11-qt heavy-duty pail, aluminum	6,829	2.24	15,296.96
5	Loma 32-gal lock-lid refrig container	1,362	10.79	14,695.98
6	Family Prod 2-qt bottle	9,659	1.34	12,943.06
7	Lustro-Ware 70-oz round decanter	6,708	1.79	12,007.32
8	Tucker 22-gal trash can	1,752	6.65	11,650.80
9	Family Prod 1-qt bottle	10,276	1.07	10,995.32
10	Eagle 80-oz food saver	6,091	1.79	10,902.89
11	Wall nylon baster	9,223	1.16	10,698.68
12	Beacon towel holder	6,837	1.52	10,392.24
13	Republic 1½-pt uprite Freezette	4,112	2.51	10,321.12
14	Lustro-Ware 1-gal square decanter	4,092	2.51	10,270.92
15	Texas-Ware 3-qt mixing bowl	3,886	2.24	8,704.64

BATH SHOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Selfix portable shower spray	4,018	8.55	34,353.90
2	Selfix shampoo spray	11,186	1.88	21,029.68
3	Ekco 18" towel bar	10,483	1.79	18,764.57
4	Ekco toilet tissue holder	9,307	1.79	16,659.53
5	Selfix twin hooks	14,123	1.07	15,111.61
6	Ekco 12" towel bar	8,675	1.70	14,747.50
7	Selfix toilet tissue holder	9,860	1.34	13,212.40
8	Ekco 24" towel bar	5,845	2.15	12,566.75
9	Ekco 24" twin towel bar	4,503	2.78	12,518.34
10	Selfix 24" towel bar	6,299	1.97	12,409.03
11	Ekco toilet tissue holder	7,647	1.61	12,311.67
12	Selfix 18" towel bar	7,213	1.70	12,262.10
13	Selfix two hooks	15,123	0.80	12,098.40
14	Selfix hooks 4-pk	8,277	1.25	10,346.25
15	Compac bath tub appliques	9,332	1.07	9,985.24
16	Selfix wall soap dish	8,060	1.16	9,349.60
17	Ekco 18" twin towel bar	3,636	2.51	9,126.36
18	Selfix toothbrush/tumbler holder	7,656	1.16	8,880.96
19	Selfix towel ring	6,524	1.34	8,742.16
20	Donner towel bar set, chrome	1,188	7.01	8,327.88

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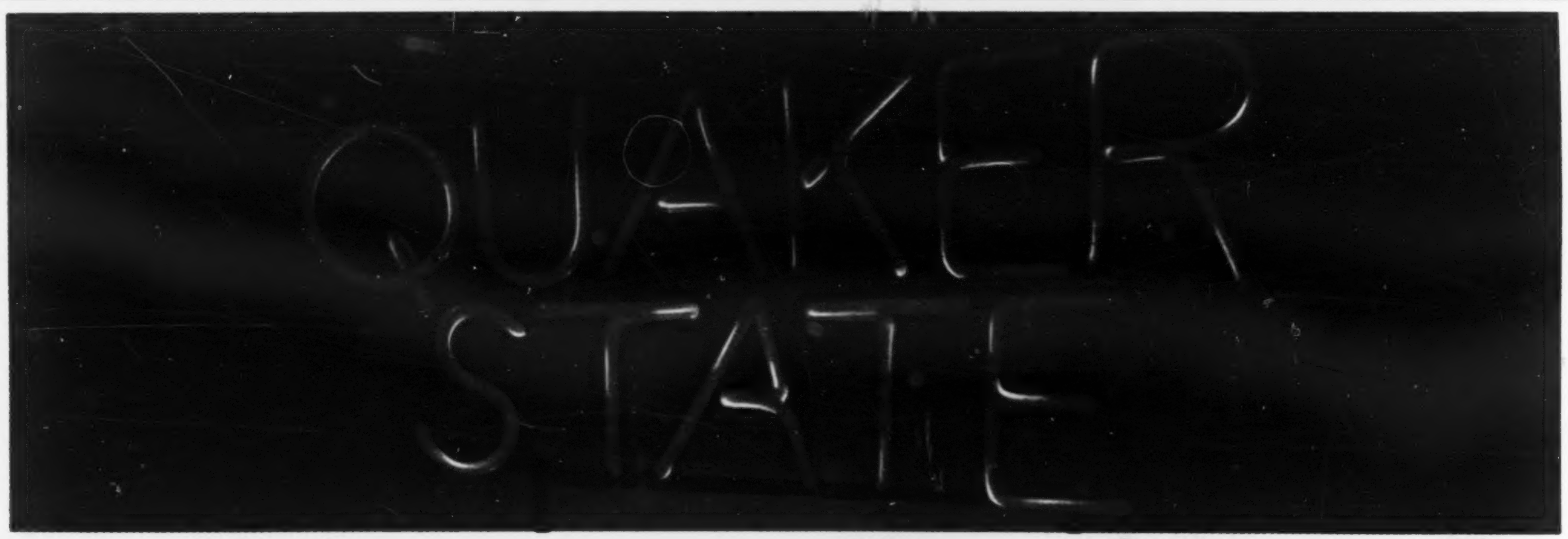


We light up your life with profit.

QUAKER STATE
MOTOR OIL SALE

Lights. Action. Get set to roll into the 80's with America's #1 selling motor oil. And here are the ABC's of the best motor oil program in the business.

Biggest share.

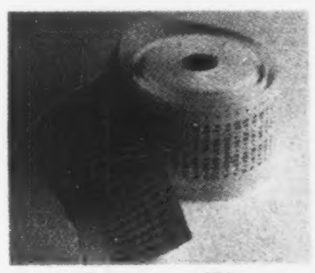
In 1979, Quaker State accounted for 32% of all mass merchandising motor oil sales. Quaker State is a dam buster. You get big-volume turns. And very low inventory costs.

New retail allowances with top of 125%.

Throughout 1980, you can earn more than your advertising costs. How? By featuring Quaker State motor oil and filters in the same ad. Or by featuring Quaker State exclusively in the category in a Grand Opening ad.

Grand Opening allowance.

Your first order for a new automotive retail outlet earns an additional 5% allowance with no ceiling on your order.



New product allowance.

There's also a 10% allowance for any Quaker State retail product not ordered by you in the previous 12 months. Again, with no ceiling on your order.

In-store displays.

You earn 100% allowance on a wide variety of point-of-purchase pieces. And the same goes for dozens of sales aids for giveaways during your special promotions. Check your distributor, supplier or account representative.

Display the full line.

Quaker State isn't just motor oil for cars, vans and light trucks. We make fine motorcycle, motor boat, snowmobile, transmission and gear oils. Also greases, filters, and antifreeze—all labeled with our famous name for quality protection.

Heavy ad program.

Quaker State advertises heavily on sports and prime time TV. And we do it all year long, not just for short periods. We spend big in 17 national magazines and on four radio networks. Our outdoor program is the largest in the industry. And we do it all to help you sell more.

Over 1500 warehouses.

While some of our competitors are closing warehouses, our network is expanding. You're never far from a Quaker State shipping point. Which means a Quaker State distributor can be your stockroom, and save you inventory money.

Now that you've seen the light...

Give us a call. Get all the details from your Quaker State distributor or Quaker State National Account Department. They're the #1 service team for the #1 selling motor oil.

QUAKER STATE

Quaker State helps build profits.

Discount Store News

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Styler/Dryers Drips Compete

(Continued from page 28)

products continued to capture more sales as replacements for older and heavier models.

Items that showed up for the first time on the PMA last year accounted for 31% or 17 of the 55 items that made the top-seller list of the five best-selling items in the 11 classifications tracked in both audits. Only a few were truly new items, introduced in 1979; most were products first shown in previous years that captured more sales last year due to greater consumer acceptance and to the phasing out of older items.

Still In Doubt

The few new electric housewares introduced last year reflect manufacturers' concern about the economy and paralleled the same concern among consumers.

The fact that few new products have been shown so far this year is another indication of the flat outlook for electric housewares in 1980.

Commercials With Betty White Hike Cataloger's Sales

ORLANDO, Fla.—Brand Distributors used a TV personality in two commercials that helped the cataloger boost fourth-quarter holiday sales by 30%.

The cataloger, switching coordinators, joined Jewelcor too late to use the group's 1979-80 book. But it was able to run two Jewelcor-produced jewelry TV commercials that featured Betty White as the spokesperson.

A Brand Distributors executive asserted that the two TV commercials were the key elements in the company's December 1979 sales jumping 30% despite competition from three new L. Luria & Son showrooms plus four Leeds units and one O. G. Wilson store.

Different Strategy

"We needed something different to draw shoppers, and using a celebrity like Betty White in TV ads attracted attention," he said.

Jewelcor is one of a number of catalog coordinators that have developed their own TV ads for members that have a common product sell but an introduction and sign-off specifically geared to the showroom chain.

While the coordinators use co-op monies for the TV commercials that feature name brands in such categories as housewares and sporting goods, Jewelcor itself funded the two ads that promoted jewelry as there aren't any branded products in that category.

HOUSEWARES

(Continued from page 57)

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	20-gal Refuse container	6,007	11.65	69,981.55
2	10¾" high rect Lndry bskt, choc	8,536	4.49	38,326.64
3	Self-closing wastebasket, choc	6,109	6.25	38,181.25
4	10¾" high rect Lndry bskt, gold	8,311	4.49	37,316.39
5	10¾" Drainer tray, gold	7,438	4.49	33,396.62
6	15¾" Drainer tray, gold	8,937	3.59	32,083.83
7	Self-closing wastebasket, gold	5,087	6.25	31,793.75
8	5¼" deep Dishpan, gold	13,853	2.24	31,030.72
9	Deluxe dish drainer, gold	6,070	4.94	29,985.80
10	Deluxe dish drainer, choc	6,008	4.94	29,679.52
11	Deluxe dish drainer, almond	5,943	4.94	29,358.42
12	Clean up caddy	6,777	4.31	29,208.87
13	Twin sink dish drainer, gold	6,794	4.04	27,447.76
14	Bath mat, white	11,180	2.42	27,055.60
15	5¼" dp sq Dishpan, choc	11,916	2.24	26,691.84
16	Covered wastebasket, choc	4,180	6.25	26,125.00
17	Twin sink dish drain, choc	6,395	4.04	25,835.80
18	15¾" Drainer tray, choc	7,196	3.59	25,833.64
19	Wrap and bag organizer	5,981	4.31	25,778.11
20	Self-closing wastebasket, almond	4,118	6.25	25,737.50

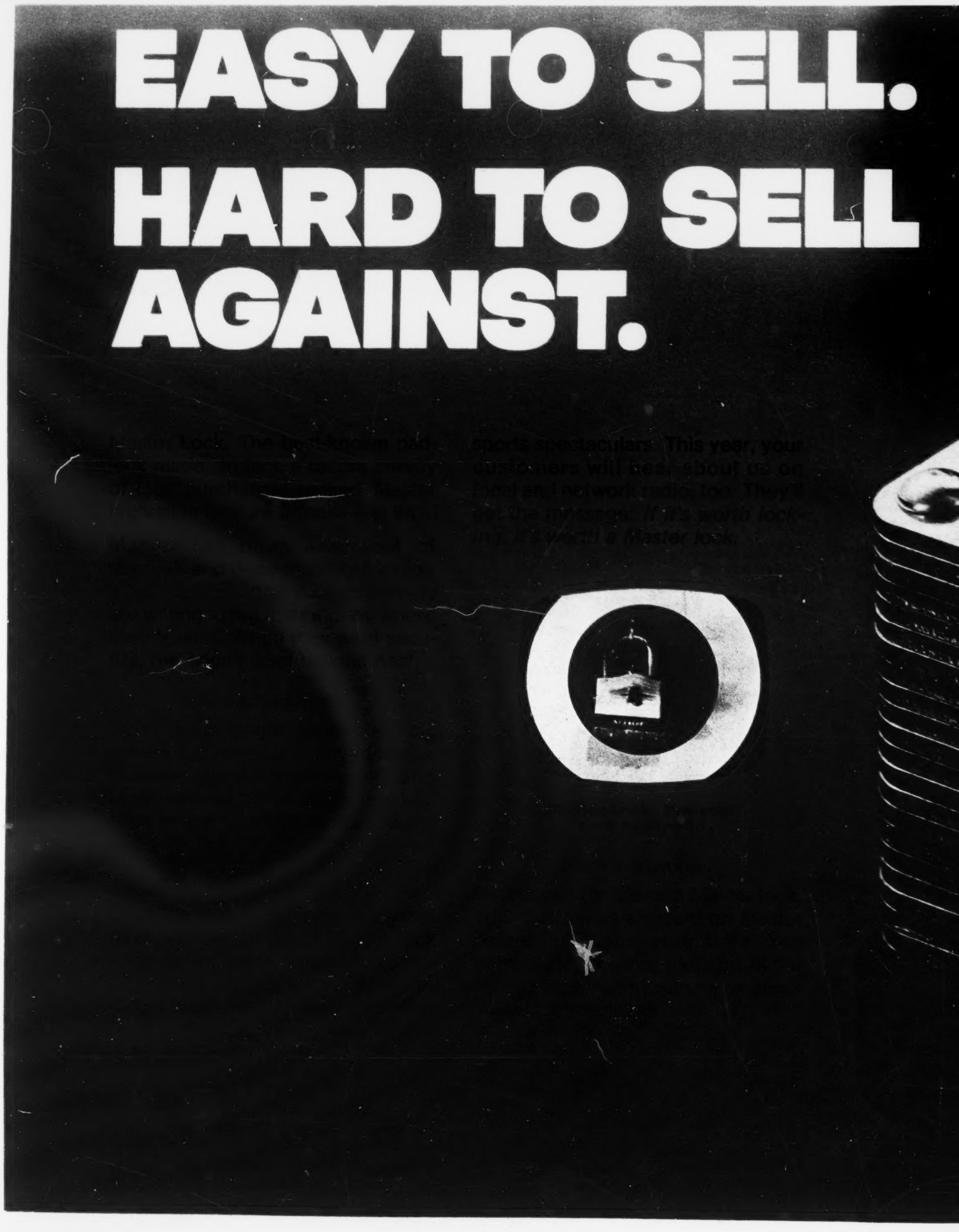
CORNING WARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Menu-ette set, Cornflower	27,203	16.19	440,416.57
2	6-cup Teapot, spice	9,771	13.05	127,511.55
3	Sidekick	23,034	5.39	124,153.26
4	Menu-ette set, Spice	5,765	20.69	119,277.85
5	6-cup Teapot, Wildflower	8,341	13.05	108,850.05
6	Menu-ette set, Wildflower	4,902	20.69	101,422.38
7	Large open roaster, Spice	4,981	16.42	81,788.02
8	6-cup Teacup, Cornflower	6,915	11.65	80,559.75
9	Grab-it set	8,479	8.09	68,595.11
10	Microwave set	1,423	34.19	48,652.37
11	Kitchen Starter set, Wildflower	1,304	34.19	44,583.76
12	3-qt. Saucepan, Cornflower	3,095	14.35	44,413.25
13	3-qt. Saucepan, Spice	2,793	15.75	43,989.75
14	Large open roaster, Wildflower	2,591	16.42	42,544.22
15	Large Counter-Saver, Spice	2,136	18.89	40,349.04
16	Large Counter-Saver, Cornflower	2,094	17.09	35,786.46
17	Large open roaster, Cornflower	2,298	15.07	34,630.86
18	Microwave browning grill	1,660	19.35	32,121.00
19	Small Counter-Saver, Spice	2,327	12.59	29,296.93
20	10" Skillet, Spice	1,888	15.25	28,792.00

PYREX

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3-qt Bake dish w/basket	13,681	11.65	159,383.65
2	4-qt Mixing bowl	39,580	2.96	117,156.80
3	2-qt Casserole w/basket	9,276	11.65	108,065.40
4	Bake 'N Serve set, Fireside	9,973	10.75	107,209.75
5	2-ltr Beverage jug	32,530	3.14	102,144.20
6	1-qt Casserole	31,249	3.14	98,121.86
7	3-qt Oblong bake dish	18,753	4.04	75,762.12
8	4-pc Mixing bowl set, gold	5,378	11.65	62,653.70
9	2-qt Bake dish w/basket	8,490	7.19	61,043.10
10	1-cup Liquid measure	37,624	1.61	60,574.64
11	4-pc Canister set, Spice	4,336	12.55	54,416.80
12	4-pc Mixing bowl set, grn	4,323	11.65	50,362.95
13	4-pc Mug set, gold	6,936	7.15	49,592.40
14	1-pt Liquid measure	23,874	2.06	49,180.44
15	2-qt Oblong bk dsh, Fireside	12,165	4.04	49,146.60
16	3-pc Mixing bwl st, gld	5,938	8.05	47,800.90
17	2-qt Oblong bake dish	12,828	3.59	46,052.52
18	4-pc Mug set, green	6,276	7.15	44,873.40
19	3-pc Mixing bwl st, Wdlnd	5,516	8.05	44,403.80
20	9" Pie plate	24,445	1.79	43,756.55

Source: HalMar Distributors



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sports spectaculars. This year, your customers will hear about us on local and network radio, too. They'll get the message. *If it's worth locking, it's worth a Master lock.*

HARDWARE
$8.97
TOOL BOX

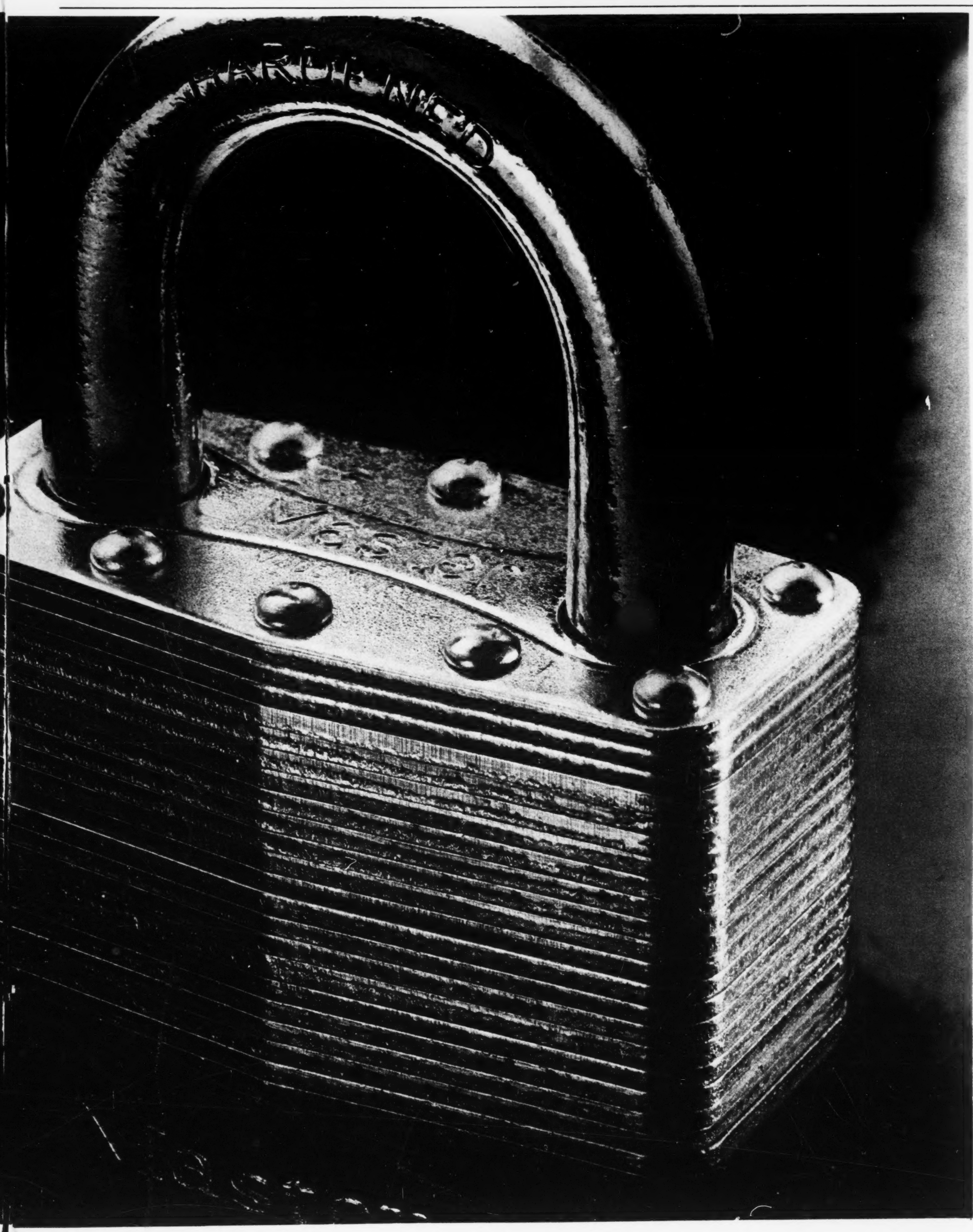
CASE IN POINT. Rising sales of hand tools and the home improvement explosion have led to increased demand for tool boxes, shown here at K mart, Paramus, N.J. (DSN photo)

HARDWARE

(Continued from page 55)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
SEASONAL				
7	Thermwell ¾ x 10 Spng rub tape R53	6,336	2.39	15,143.04
8	Wrap On 3-in x 35 ft Fiber insul WO4	5,136	2.79	14,329.44
9	Mortell E-3 30 ft Rope caulk mort	12,501	0.99	12,375.99
10	Thermwell 17 ft Tblr vnl gasket v-1	7,566	1.49	11,273.34
11	Thermwell 17 ft Spng rbt gskt 14001	2,388	4.49	10,722.12
12	Thermwell 45 ft Clear wthrstrp TPT9	5,673	1.79	10,154.67
13	Thermwell FV15 2x15 ft Pipe insul t	3,876	2.59	10,038.84
14	Thermwell 3/16 x 10 Spng rub taper 33	8,328	1.19	9,910.32
15	Thermwell ¾ x 25 ft Felt wthrstrp R8	8,226	1.19	9,788.94
16	Mortell B-2 90 ft Rope caulk mort	3,852	2.49	9,591.48
17	Thermwell VA 17-ft Alm-vnl door st 3P	1,740	5.49	9,552.60
18	Thermwell 25 ft Fbrgls pipe wrap SP41	5,294	1.79	9,476.26
19	Thermwell V448 ⅜ x 30 ft Vinyl foam	5,976	1.49	8,904.24
20	Mortell NDT 30 30 ft No-drp pipe	1,680	4.99	8,383.20
SECURITY HARDWARE				
1	Master Lock 1500D Combination padlock	14,159	3.49	49,414.91
2	Weslock Entry lock set sunray brass	2,571	13.99	35,968.29
3	Eaton Yale LW5 Entrance lock set brass	1,732	13.99	24,230.68
4	Master Lock 500D 1.75-in Warded lam padlock	8,888	2.49	22,131.12
5	400BDL Kwikset entrance	1,421	13.49	19,169.29
6	Master Lock 22D 1.5-in Warded lam padlock	9,602	1.99	19,107.98
7	Weslock Entry lock set elegant I	1,244	14.49	18,025.56
8	Parker 1303 Sing cyl deadlock	2,097	7.89	16,545.33
9	Ferum BD1690 45MM Comb padlock	1,289	8.49	16,184.10
10	Master Lock 7D 1-in Laminated padlock	3,456	4.29	14,826.24
11	Weslock Deadbolt dble cylinder B	778	16.99	13,218.22
12	St. Marks 1301 Rim night latch	2,333	5.49	12,808.17
13	Weslock Entry lockset impresa an	857	14.49	12,417.93
14	Parker 906 1½-in Padlock brass	4,773	2.59	12,362.07
15	Ideal SK28 Chain-dor-loc w/key	6,682	1.49	9,956.18

Source: Hardware Distributors



Discount Store News

PMA®

6th Annual Product Movement Audit

Wedge Gain

(Continued from page 55)

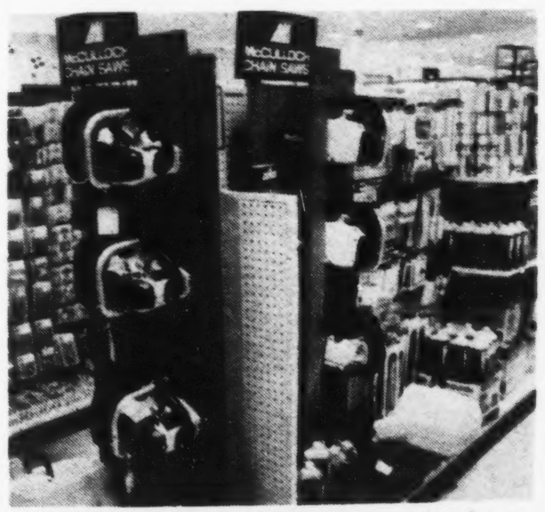
ment continues to be extension cords however, with discounters electing to carry a full assortment of cord products ranging from a 6-ft. (indoor) extension cord retailing for 99¢ to a 100-ft. cord for $18.99.

In security hardware, Hardware Distributors' figures show that consumers are turning to discounters for inexpensive entrance locksets and deadbolts which sell between $10 and $15.

The top seller in the hardware category was a combination padlock which sold for under $4.

Krazy Glue ($1.59) was last year's favorite in the glues, lubricants and adhesives area, outselling the second-place entry, the more competitively priced Gripper Super Glue (99¢) by more than 45%.

Other products in the category included caulks, cements, steel filler, plastic wood and epoxy resin glues which have all been proven sellers in discount stores for years.



BEST SELLERS. Rose's featured chain saws in the hardware department of its newest discount store, which opened recently in Millsboro, Del.

NUMERO UNO. Electronics have been the big story for two years, in spite of chip supply problems, and Bradlees, West Norwalk, Conn., carried this pre-Christmas display. (DSN photo)

TOYS

Figures for these toy PMA tables cover the calendar year 1979. They were supplied by Consolidated Toy Co., distributor, a subsidiary of Wetterau, Hazlewood, Mo. Consolidated covers 200 stores, including 100 discount department stores, in five Midwestern states. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
GAMES					
1	1	Parker Brothers' Monopoly	25,000	5.99	149,750.00
2	5	Lakeside's Perfection	7,000	9.99	69,930.00
3	—	Ideal's Mousetrap	7,000	8.88	62,160.00
4	6	Selchow & Righter's Scrabble	8,000	7.77	62,160.00
5	—	Milton Bradley's Operation	8,000	6.88	55,040.00
6	—	Ideal's My Dog Has Fleas	6,000	8.98	53,880.00
7	4	Parker Brothers' Boggle	6,000	6.88	41,280.00
8	11	Invicta's Mastermind	10,000	3.99	39,900.00
9	—	Milton Bradley's Connect 4	5,000	6.97	34,850.00
10	—	Milton Bradley's Candyland	6,000	4.44	26,640.00
ELECTRONICS					
1	4	Milton Bradley's Simon	25,000	24.99	624,750.00
2	—	Coleco's Electronic Quarterback	15,000	26.99	404,850.00
3	—	Mattel's Football I	10,000	27.99	279,900.00
4	—	Castle Toy's Einstein	15,000	17.99	269,850.00
PUZZLES					
1	—	Milton Bradley's Big Ben	7,000	1.97	13,790.00
2	—	Milton Bradley's 250-pc puzzle	8,000	1.47	11,760.00
3	—	Milton Bradley's 500-pc puzzle	6,000	1.73	10,380.00
4	—	Whitman's United States puzzle	4,000	1.37	5,480.00

(Continued on page 62)

Discount Store News

6th Annual Product Movement Audit

Toy Trend Seen To Basics With High Play Value

The consumer trend toward basic toy items with high play value is evident in the annual Consolidated Toy Product Movement Audit.

Among the highest total retail dollar movers were such perennial favorites as Parker Brothers' Monopoly—highest among the games with $149,750—and Milton Bradley's Big Ben puzzle.

Tonka's Off The Road Adventure Buggy, another basic boys' action toy, was the highest dollar producer in that category, while Milton Bradley's Simon led the electronics with retail volume of $624,750.

Gain Ground

Electronics cannot yet be called a basic category in the toy department—that day has not yet arrived—but the high play value of many electronic games is making them year-long fast sellers.

Electronic games are expected to lead the toy department again this year in total volume and in percentage sales gain, in spite of supply problems and anticipated price hikes from the manufacturers.

At the recent Toy Fair in New York, electronics were the star attraction at most sales pavilions, with higher tickets the rule.

Another Consideration

Many electronics now bridge the age groupings, using separately packaged and merchandised software to adapt the basic unit to different games. The feeling among manufacturers is that parents will spend as much money as usual (perhaps on fewer items), and that an electronic that appeals to both a preschooler and a preteen will overcome price resistance by its versatility.

The consumers' search for play value, durability and value in toys should also bring more of them to presold basic games and toys like Monopoly, miniature wheel goods, non-TV dolls, old favorites in preschool and good quality plush.

Electronic games that appeal to a single-age group, or offer limited play value may suffer this year, as may the less-sturdy, high-ticket lines like race sets and radio control toys.

Overall, however, the stay-at-home trend and increased consumer awareness of play value add up to a rosy future for basic toys—and that translates into better gross margins for retailers as the basics become a greater portion of the business.

Board games, once thought vulnerable to volume erosion as more consumer dollars went to high-ticket electronics, have not faltered. The continued strength in the old favorites

(Continued on page 61)

Your Mouse Power Plus Promotion can win you an M.V.P. award!

(And get you super 4th quarter sales, too!)

Walt Disney's MAGIC KINGDOM ACTIVITY and COLORING BOOK

Use this FREE giveaway for your customers.

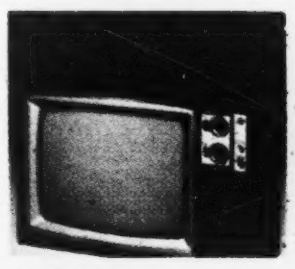
An expanded version of Disney's colorful Magic Kingdom Activity & Coloring Book to build traffic and extra sales at checkout counters. It's a big 9"×9" full-color cover filled with 8 pages of colorful fun. It's a FREE gift from you to your customers with every Disney merchandise purchase. And, it's yours FREE with a Disney character merchandise commitment.

A great M.V.P. contest for you!

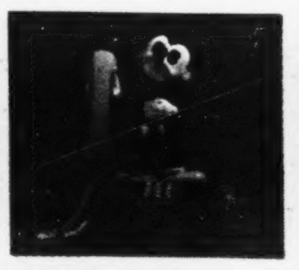
Now's your chance to show your true colors as a superstar—during Disney's M.V.P. (Most Valuable Promotion) contest! Your 4th quarter Mouse Power Plus Promotion can win you the recognition you deserve.

Everybody Wins!

For Corporate Headquarters Buyers: **8 Grand Prizes!** A trip to Walt Disney World!
For Store Managers or Department Managers: **24 Prizes!** Eight 15" color TVs; 8 Mickey Mouse telephones; and 8 Mickey Mouse wall clocks!



8 First Prizes: 15" color TVs.



8 Second Prizes: Mickey Mouse telephones.

8 Third Prizes: Mickey Mouse wall clocks.

3 winners for each type of store including:

- Department/Catalog—Retail
- General Merchandise, Jr. Department & Variety Chains
- Discount
- Free-Standing Toy
- Drug Chains
- Catalog/Showroom
- Automotive/Hardware
- Independent/Specialty

PLUS—a certificate of participation to all corporate headquarters and individual stores that submit entries.

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PLEASE send more information on:
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☐ Magic Kingdom Activity & Coloring Book

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ERECTOR ERECTOR
ERECTOR ERECTOR
ERECTOR
LEGO
400
404
114

YULE BUILDUP. Catalogers get into the act, too, at Christmas time. This Cherry Hill, N.J., Basco unit made a dense display of building games for 9-14-year-old youngsters. (DSN photo)

TOYS

(Continued from page 60)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
WHEEL GOODS					
1	—	Empire Powder Puff	2,000	24.99	49,980.00
2	—	Marx's Big Wheel Sweetheart	2,100	18.88	39,648.00
3	—	Empire's Spiderman Cycle	3,000	12.88	38,640.00
4	—	Empire's Tot-A-Bout Car	3,000	11.88	35,640.00
5	—	Marx's Mini Wheel	2,600	12.88	33,488.00
6	—	Marx's Big Wheel Cobra	1,500	21.66	32,490.00
PRESCHOOL					
1	11	Fisher-Price's Play Desk	9,000	9.99	89,910.00
2	10	Fisher-Price's Tool kit	6,000	13.88	83,280.00
3	—	Fisher-Price's Cash Register	7,000	11.88	83,160.00
4	12	Playskool's Peg Desk	3,000	19.99	59,970.00
5	—	Mattel's Tuff Stuff Mixer	6,000	6.99	41,940.00
6	—	Mattel's Tuff Stuff Saw	6,000	6.99	41,940.00
7	—	Mattel's Tuff Stuff Drill	5,000	6.99	34,950.00
8	—	Fisher-Price's Baby's First Blks	6,000	4.99	29,940.00
9	—	Fisher-Price's Flower Rattle	7,000	3.49	24,430.00
10	—	Playskool's Flutter Ball	4,000	4.99	19,960.00
DOLLS					
1	2	Ideal's Snuggles	7,000	10.88	76,160.00
2	—	Animal Fair's Baby Lttl Love	6,000	9.99	59,940.00
3	—	Fisher-Price's My Friend Mandy	4,500	12.99	58,455.00
4	—	Kenner's Darci	9,000	5.99	53,910.00
5	—	Mego's Candi	4,000	11.99	47,960.00
6	—	Playmate's Baby Bath Alot	3,500	8.99	31,465.00

(Continued on page 63)

Discount Store News

PMA®

6th Annual Product Movement Audit

High Play Value Seen Toy Trend

(Continued from page 61)

Tool Kit and Cash Register finished 1-2-3 among the preschool items on the chart, with dollar volumes 50% higher than the fourth product on the list, Playskool's Peg Desk.

In the last year's Product Movement Audit, sales in space related products and electronics had been so hot that new categories were added to the chart to list them.

In 1979, while electronics maintained their volume growth, space lines were a disappointment.

The lack of a strong feature movie to excite interest among the children, the relative failure of several television series on space adventure, and the rapid growth of interest in super heroes put a damper on space toys.

Shifting Emphasis

While space-related items still led the boys' toys listed on the chart, renewed interest in licensed lines featuring Superman, Spiderman and other super heroes diminished business in space toys generally.

Recent sales figures compiled by manufacturers have indicated that every month in 1979 experienced a sales gain in toys, leading to some speculation that progress is being made in spreading the volume over the entire year, depending less on highly promotional Christmas-season selling for volume.

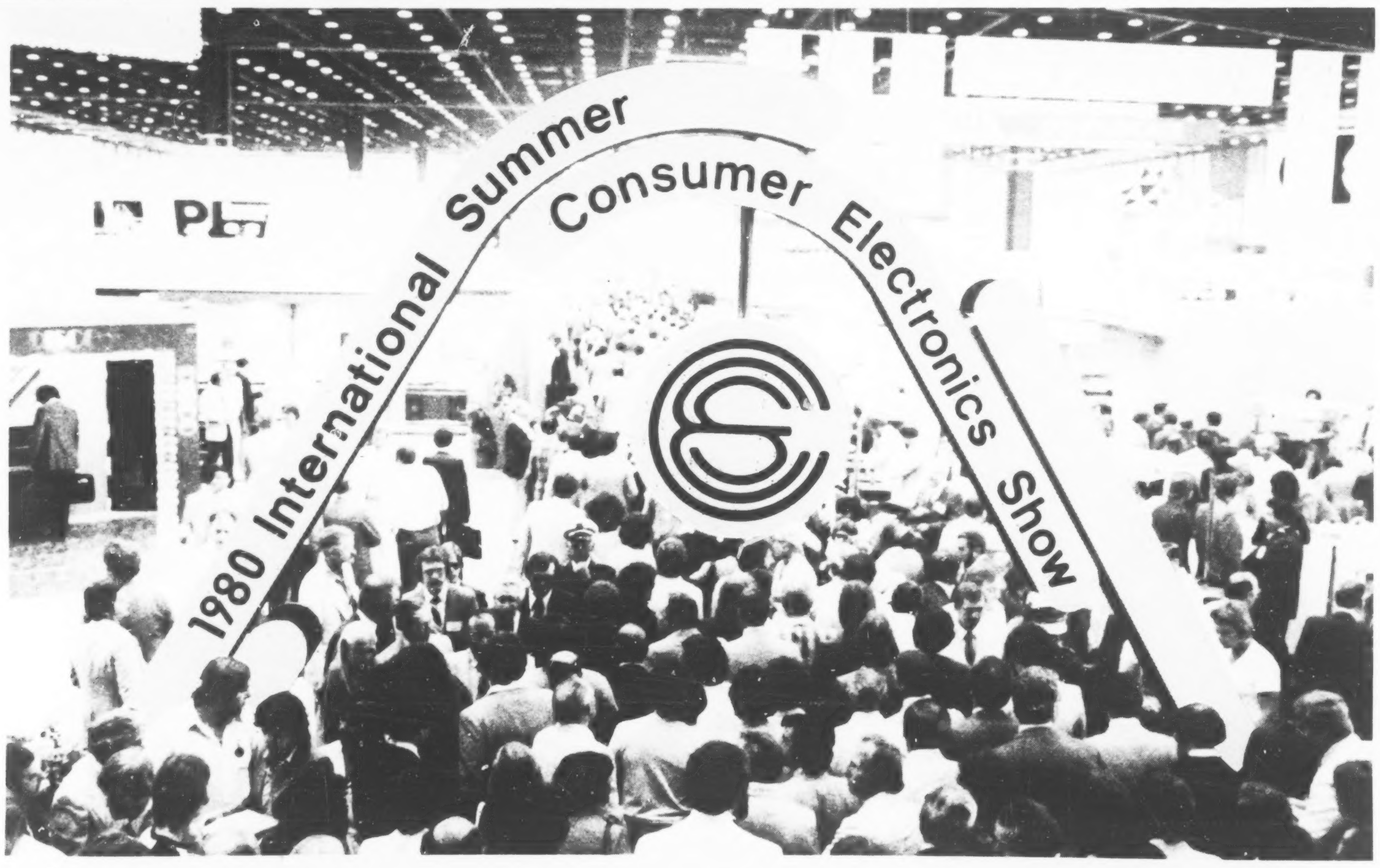
The high-ticket family electronic games may have been a factor in that trend, since purchase of a game for use and enjoyment by the entire family need not wait until Christmas.

With sales (perhaps) becoming less dependent on the Christmas season, and renewed consumer interest in high-value basics, retailers' bottom lines in the toy departments may fatten.

Less dependence on TV dolls, increasing sales of pre-

(Continued on page 63)

ON THE RIGHT TRACK. Model railroad track and accessories are displayed on this pegboard gondola at Gold Circle, San Jose, Calif., with rolling stock on shelves below. (DSN photo)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Audio: Components, compact systems, portables, tape software and hardware, and auto sound systems.

Personal electronics: Calculators, watches, security systems language translators, CB, telephones.

- **ATTEND** marketing conferences, retail merchandising workshops and management seminars.
- **PREVIEW** the 1980 Design and Engineering Exhibition showcasing more than 100 of the industry's most innovative products.

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EIA

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Discount Store News

PMA®

6th Annual
Product Movement Audit

High Play Value

(Continued from page 62)

school, plush, board games and miniature wheel goods, and more high-ticket, year-long sales of family electronics could produce higher maintained gross margins. Add a finely tuned stock, selected for its dependable turns at decent margins, and dating policies that are still among the most lenient in retailing, and the toy department could become one of the leaders in generating gross profit dollars in discount stores.

TOYS

(Continued from page 62)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
BOYS' TOYS					
1	—	Kenner's Millennium Falcon	2,300	28.99	66,677.00
2	—	Kenner's Druid Factory	4,000	10.88	43,520.00
3	—	Kenner's Land of Jawa	3,300	9.88	32,604.00
4	—	Mattel's Spiderman	3,600	5.99	21,564.00
TRUCKS					
1	2	Tonka's Off Road Advntr Bggy	6,000	12.88	77,280.00
2	—	Fisher-Price's Trail Blazer	3,300	11.99	39,567.00
3	—	Tonka's Jeep C.J.	4,000	6.99	27,960.00
4	35	Tonka's Pickup	3,800	6.99	26,562.00
5	—	Tonka's Dump Truck	2,800	7.99	22,372.00

Source: Consolidated Toy

Wright Introduces
New Merchandisers

Wright Makes it Easy.

Sell Hardware the Easy Way with Wright's New Merchandiser Program.

Wright can show you how to grab on to a bigger share of the exploding do-it-yourself market.

Wright has developed 11 new hardware merchandisers including storm & screen door latches & closers / casement window hardware / patio door hardware / home protection hardware / cabinet, door & drawer locks / builders hardware.

All merchandisers feature: ■ Modular design to completely organize your hardware department. ■ New reordering system allows you to customize the merchandiser to fit your needs. ■ Illustrated header explains product use to consumers.

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(612) 881-4500
a Hartzell Corp. Co.

NMRI Schedule Is Announced

(Continued from page 2)

Monday, May 12 (3:45 p.m. to 5:00 p.m.): "New Ideas in Warehousing and Distribution—Backroom Productivity."

Speakers: David Glass, Wal-Mart; Jarvis Dennis, T.G. & Y.; David Godfrey (moderator), Hart Stores.

Tuesday, May 13 (9:00 a.m. to 10:15 a.m.): President's Roundtable. Participants: Jack Shewmaker, president, Wal-Mart; David M. Tracy, president, Fieldcrest Mills Inc.; Paul Van Orden, executive vice president, consumer products division of General Electric; Marshall Hess, president, Fisher's Big Wheel.

Tuesday, May 13 (10:30 a.m. to 11:45 a.m.): "Vendor/Retailer Relations."

Speakers: Corwin Cianci, Polaroid; Marty Goldberg, R. N. Koch Inc.; Art Coller (moderator), The Andersons.

Tuesday, May 13 (10:30 a.m. to 11:45 a.m.): "Training Through Audiovisuals."

Speakers: Leroy Kaminsky, president, KTK Video Consultants Inc.; Fred Barney, president, Gray Drugs.

Tuesday, May 13 (10:30 a.m. to 11:45 a.m.): "Current Government Legislation As It Affects Our Industry."

Moderator: Richard I. Hersh, president, NMRI; speakers to be announced.

Tuesday, May 13 (10:30 a.m. to 11:45 a.m.): "Payroll Control and Productivity."

Speakers: Harold Johnson, Shopko; Irwin F. Cohen, Marshalls; Michael D. Downey (moderator), J. A. Conley's.

Tuesday, May 13 (3:00 p.m. to 4:15 p.m.): "Advertising Productivity."

Speakers: David Cravit, of Saffer, Cravit, and Friedman Advertising Inc.; L. H. Harvin III (moderator), Rose's Stores.

Tuesday, May 13 (3:00 p.m. to 4:15 p.m.): "Retailing and Stress."

Speakers: Dr. Mortimer R. Feinberg, chairman of the board, BFS Psychological Association Inc. Moderator to be announced.

Wednesday, May 14 (8:30 a.m. to 9:30 a.m.): "Convention Wrap-up and Rap Session."

Speakers: Hershel Denker, Zayre; Arlie Lazarus, Jamesway; Art Coller, The Andersons; David Godfrey, Hart Stores.

The doors to the merchandise show will be open at the following times:

Saturday, May 10, 4:45 p.m. to 7:30 p.m.; Sunday, May 11, 3:00 p.m. to 4:30 p.m.; Monday May 12, 1:30 p.m. to 3:45 p.m.; Tuesday May 13, 11:45 a.m. to 2:30 p.m.

Orientation for those interested in the Ladies' Program will be held at the Fairmont on Sunday, May 11, from 4:00 p.m. to 4:30 p.m.

In addition, on Sunday at 7:00 a.m., Pepsi-Cola, Barkers and *Discount Store News* will sponser a two-mile and a 10,000-meter run in conjunction with the New Orleans Track Club.

Clark Is Named VP by Venture

ST. ANN, Mo.—Maxine Clark has been named vice president, director of marketing, at Venture Stores.

Clark joined the May Co., Venture's parent, in 1976 as manager for merchandise planning and research. Prior to that she was a buyer for Hecht's, the May Co.'s Baltimore-based department store division.

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SHOW

MAY 2-5, 1980

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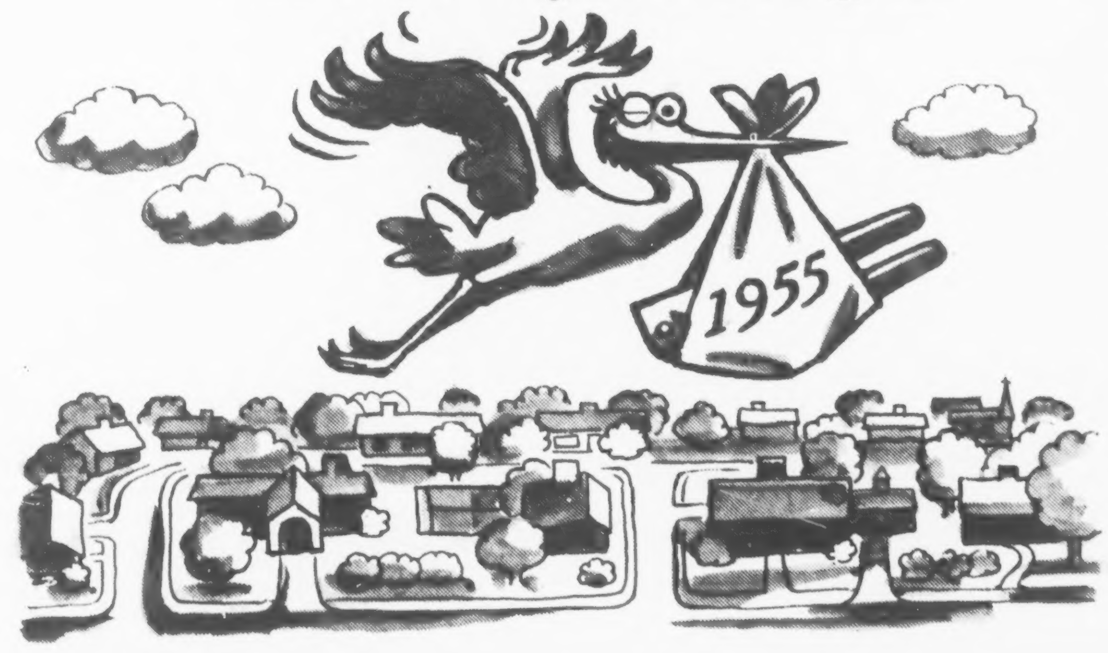


A success from the start.

In 1955, we introduced the Swing-A-Way #407 Portable Can Opener to America because we realized it was not always convenient or practical to attach one of our popular wall openers.

There were other hand-held can openers on the market, of course, but we envisioned one that was not flimsy and hard to use. What we wanted was a can opener that was as substantial, durable, and efficient as our wall models.

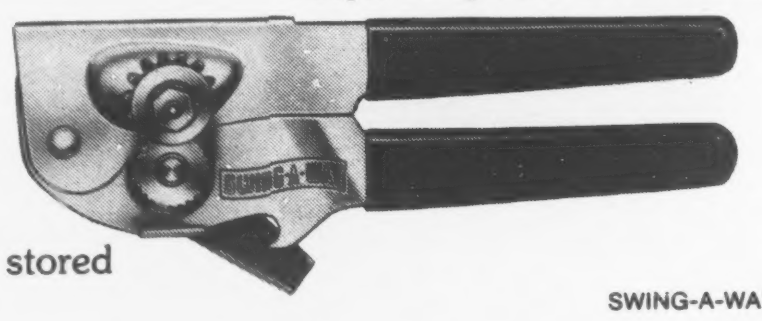
It is no coincidence that the result was the heavy-duty, easy-to-use, gear-driven Swing-A-Way Portable. And it stored in a drawer, out of the way.

In the process we created a classic—a truly sensible can opener.

Today, the Swing-A-Way #407 has become the largest selling can opener of its kind in the world.

SWING-A-WAY

People everywhere tell us its the best.



SWING-A-WAY ST. LOUIS 63116

Skincare
Fragrance

UPSCALING. Chrome etageres with overhead graphics serve to dramatize the health-and-beauty aids section at this Richway unit in Decatur, Ga., an Atlanta suburb. (DSN photo)

HEALTH & BEAUTY AIDS

Figures for these H&BA PMA tables cover the calendar year 1979. They were supplied by Boston Distributors, a division of Cook United, Maple Heights, Ohio. Boston covers 320 stores, including 290 discount department stores, in 18 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	BAR SOAP			
1	Zest 6 Pk Special Bath	128,240	2.54	325,730
2	Dial Soap Bath Size 4 Pk	176,706	1.47	259,758
3	Ivory Soap Personal 4 Pk	230,688	1.11	256,064
4	Caress Body Bar 5¢ Off	532,632	0.43	229,032
5	Dial Bath Soap Single Bar 5 oz	457,848	0.49	224,343
6	Coast Bath Soap 2 Pk 10¢ Off 5 oz	151,650	1.00	151,650
7	Dove Soap White 4¢ Off Bath	119,424	0.62	74,043
8	Jergens Soap Personal 3 oz	369,216	0.16	59,075
9	Jergens Family Size Soap 7 oz	170,172	0.31	52,753
10	Coast Deodorant Soap 5 oz Bath	91,600	0.50	45,800
	DEODORANTS			
1	Right Guard Deod 10 oz	87,840	2.71	238,046
2	Sure Deod Regular 6 oz	50,536	2.78	140,490
3	Ban Roll-on Deod Reg 2.5 oz	48,656	2.23	108,503
4	Sure Deod Uns 6 oz	35,500	3.01	106,855
5	O S Stick Deod 2.5 oz	59,652	1.44	85,899
6	Sure Deod Regular 4 oz	40,704	1.94	78,966
7	Ban Roll-oz Deod Regular 1.5 oz	50,728	1.50	76,092
8	Sure Roll-oz Deod Reg 2.5 oz	31,988	2.33	74,532
9	Ban Roll-on Deod Uns 2.5 oz	32,726	2.23	72,979
10	Right Guard Deod 5 oz	35,652	1.99	70,947
11	Secret Antiperspirant 6 oz	23,088	3.01	69,495

(Continued on page 72)

Discount Store News

PMA®

6th Annual
Product Movement Audit

Bar Soap Sales Up Over 30%; 6-Pack Tops

By M. Raymond Prendergast
President,
Boston Distributors

Bar soap has finally found a home in the discount department store.

Our sales in this classification were up more than 30% in 1979 as most of our customers realized that they could use soap to draw customers without suffering a significant margin loss.

Long a mainstay of the food trade, bar soap special packs can be priced for profit and still stimulate strong impulse sales. Merchandising is the key to success. We suggest dumping soap in wire bins in the gondola run or on endcaps. Manufacturer specials such as multipacks and off-labels will sell the product for you if displayed in this manner.

Leading Brand

Our leading sku in 1979 was Zest's 6-pack followed by Dial bath size in a 4-pack bundle. By placing in the No. 5 position with the single bar pack, Dial was again our leading brand. The most exciting entry in the soap market this year is Minnetonka's Soft Soap. This product looks good, is priced right and makes sense. It will be some time before it can draw customers the way Dial can, however.

Deodorants, another important draw for the mass merchant, showed us more moderate sales growth (15%) in 1979. Right Guard 10 oz. and Sure 6 oz. led our PMA, illustrating the fact that aerosols are far from dead.

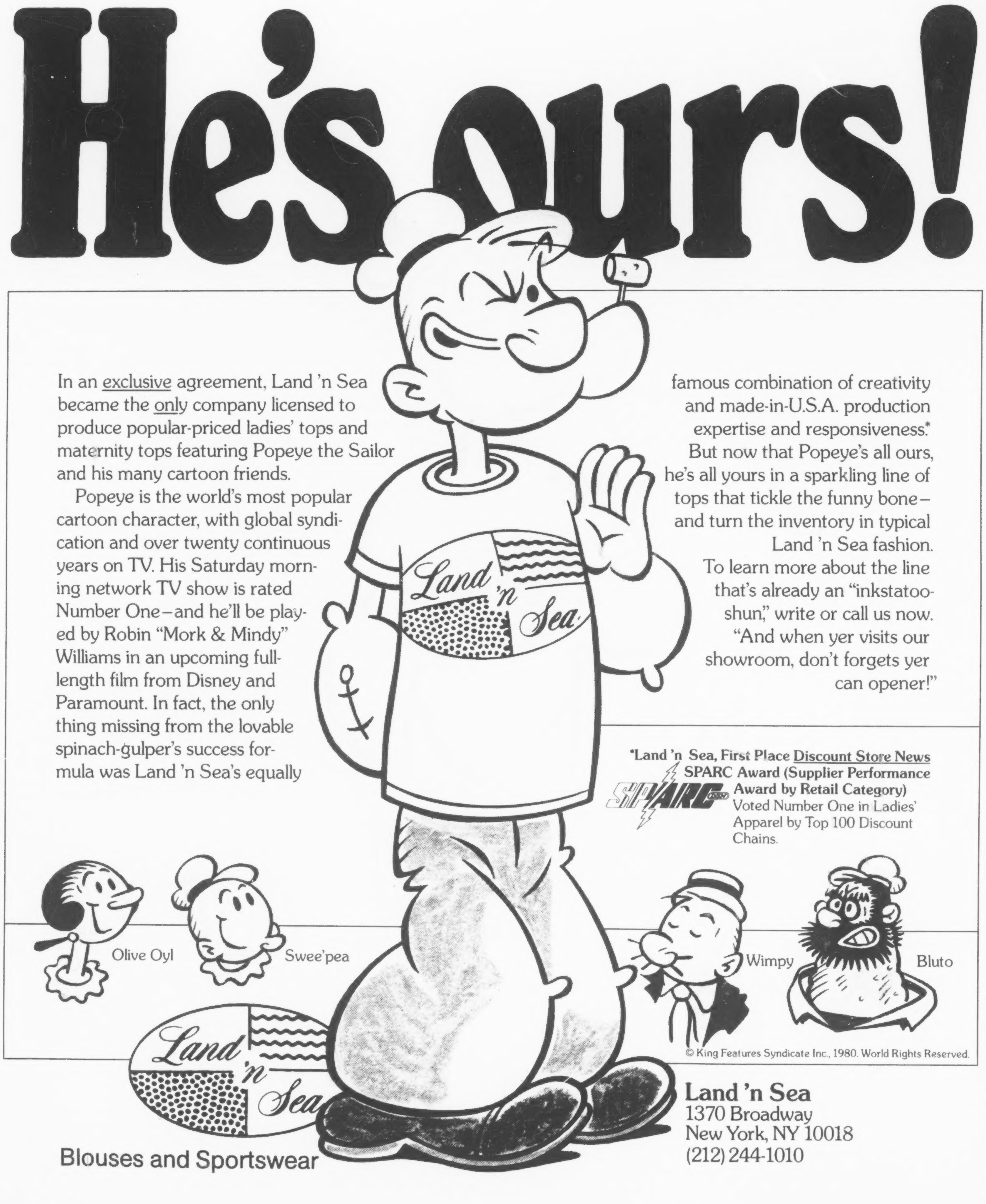
The roll-on segment was again led by Ban with Sure and Secret also scoring well. Although not placing in the top 20, Dry Idea and Tickle showed significant increases in 1979.

The stick category will probably show the greatest growth this year as several manufacturers are introducing solid antiperspirants. Procter & Gamble has solid entries for both the Secret and the Sure brands, and initial sales are encouraging. Faberge, whose Brut 33 Stick was our fastest growing sku last year, has added an antiperspirant to its line.

The sanitary napkin category promises to continue its strong growth pattern in 1980 with recent introductions spurring real increases. Personal Products' new entry, Sure & Natural, is superior to its tremendously successful Stayfree Maxi Pads. Stayfree held three out of our top five positions in 1979.

The other two spots were, of course, held by Tampax, the perennial tampon leader. This year Procter & Gamble will give Tampax a run for its money with its rollout of Rely Tam-

(Continued on page 72)


He's ours!

In an exclusive agreement, Land 'n Sea became the only company licensed to produce popular-priced ladies' tops and maternity tops featuring Popeye the Sailor and his many cartoon friends.

Popeye is the world's most popular cartoon character, with global syndication and over twenty continuous years on TV. His Saturday morning network TV show is rated Number One–and he'll be played by Robin "Mork & Mindy" Williams in an upcoming full-length film from Disney and Paramount. In fact, the only thing missing from the lovable spinach-gulper's success formula was Land 'n Sea's equally famous combination of creativity and made-in-U.S.A. production expertise and responsiveness.*

But now that Popeye's all ours, he's all yours in a sparkling line of tops that tickle the funny bone–and turn the inventory in typical Land 'n Sea fashion.

To learn more about the line that's already an "inkstatoo-shun," write or call us now. "And when yer visits our showroom, don't forgets yer can opener!"

*Land 'n Sea, First Place Discount Store News SPARC Award (Supplier Performance Award by Retail Category) Voted Number One in Ladies' Apparel by Top 100 Discount Chains.

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Blouses and Sportswear

Land 'n Sea
1370 Broadway
New York, NY 10018
(212) 244-1010

SPORTING GOODS

Figures for these sporting goods PMA tables cover the calendar year 1979. They were supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio. Stem covers 600 stores, including 480 discount department stores, in 35 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

Rank on previous list is the position of the product on the 1978 annual PMA, which covered the 100 fastest-moving items, but didn't break down the list into separate sporting goods categories.

FISHING

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	Zebco 33CP spin cast reel	4,844	16.01	77,552
2	11	Daiwa MC1-38 Minicast combo	2,306	32.34	74,576
3	5	Zebco combo, 600 reel/4060 rod	3,973	17.18	68,256
4	8	Zebco combo, 33 reel/3366 rod	1,996	28.74	57,365
5	33	Daiwa 1300C/5012 spin combo	1,255	39.92	50,099
6	22	Zebco Jr spincast combo	5,175	9.04	46,782
7	13	Zebco, combo 202 reel/2023 rod	4,002	10.16	40,660
8	—	Daiwa spincast combo	1,237	30.13	37,271
9	88	Zebco combo, 808 reel/8965 rod	943	39.17	36,937
10	—	Daiwa skirted spinning reel	1,492	22.50	33,570
11	—	Zebco combo, 404 reel/4040 rod	2,443	12.89	31,490
12	—	Zebco combo, US76	2,088	14.73	30,756
13	30	Daiwa 208RL spin cast reel	1,839	14.79	27,199
14	—	Daiwa bait cast reel	375	67.37	25,264
15	—	Daiwa skirted spinning reel	1,748	14.47	25,206

AIRGUNS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	5760/760 Crosman BB/177 rifle	2,140	43.84	93,817
2	26	38T Crosman 177CAL gas revolver	1,472	45.99	67,697
3	20	737 Crosman Super BB's milk carton	30,744	1.75	53,802
4	—	Crosman CO-2 BB rifle	1,632	30.35	49,531
5	24	1377 Crosman Pump pistol BB/177	1,304	44.70	33,304
6	21	Crosman Powerlet 5-pk	17,892	1.81	32,385
7	34	Marksman 1010 BB pistol	2,075	14.45	29,984
8	100	Daisey Lever-action BB rifle	1,392	21.07	29,329
9	76	Daisey Red Ryder BB rifle	1,174	24.94	29,280
10	78	Daisey pump rifle	1,307	21.17	27,669
11	—	Crosman BB/177 pellet rifle	682	40.03	27,300

(Continued on page 68)

Discount Store News

PMA

6th Annual Product Movement Audit

Ready-to-Fish Combinations Make Splash

Hunting and fishing basics and a wide assortment of Coleman products dominated the 1979 Stem Distributing annual sporting goods Product Movement Audit.

Air-powered guns made their usual strong showing on the list also, while a total of 10 spots went to products not in those four categories.

Twenty fishing items were listed, including many of the popular Zebco and Daiwa rod and reel combinations. The promotional appeal of these prepackaged rod and reel combinations, which offer ready-to-fish convenience with balanced equipment, has enhanced their value to the consumer seeking an inexpensive activity for family outings.

With gasoline in short supply, and travel vacations often beyond the consumers' financial reach, fishing in local waters has enjoyed a surge of popularity. The packaged combinations are ideal for that market.

Shot shells dominated the ammunition sales last year at Stem, and may also have benefited from the consumers' search for inexpensive sporting activity.

Shifting Gears

Those who already own a shotgun, hand gun or rifle can, with a few dollars worth of shells and a few hours of free time, enjoy target shooting and plinking with their family or friends. A shooter unable to take his family to some vacation spot because of the cost could spend several days of his time off plinking—especially with his 22-caliber rifle or hand gun—at a fraction of the cost of traveling.

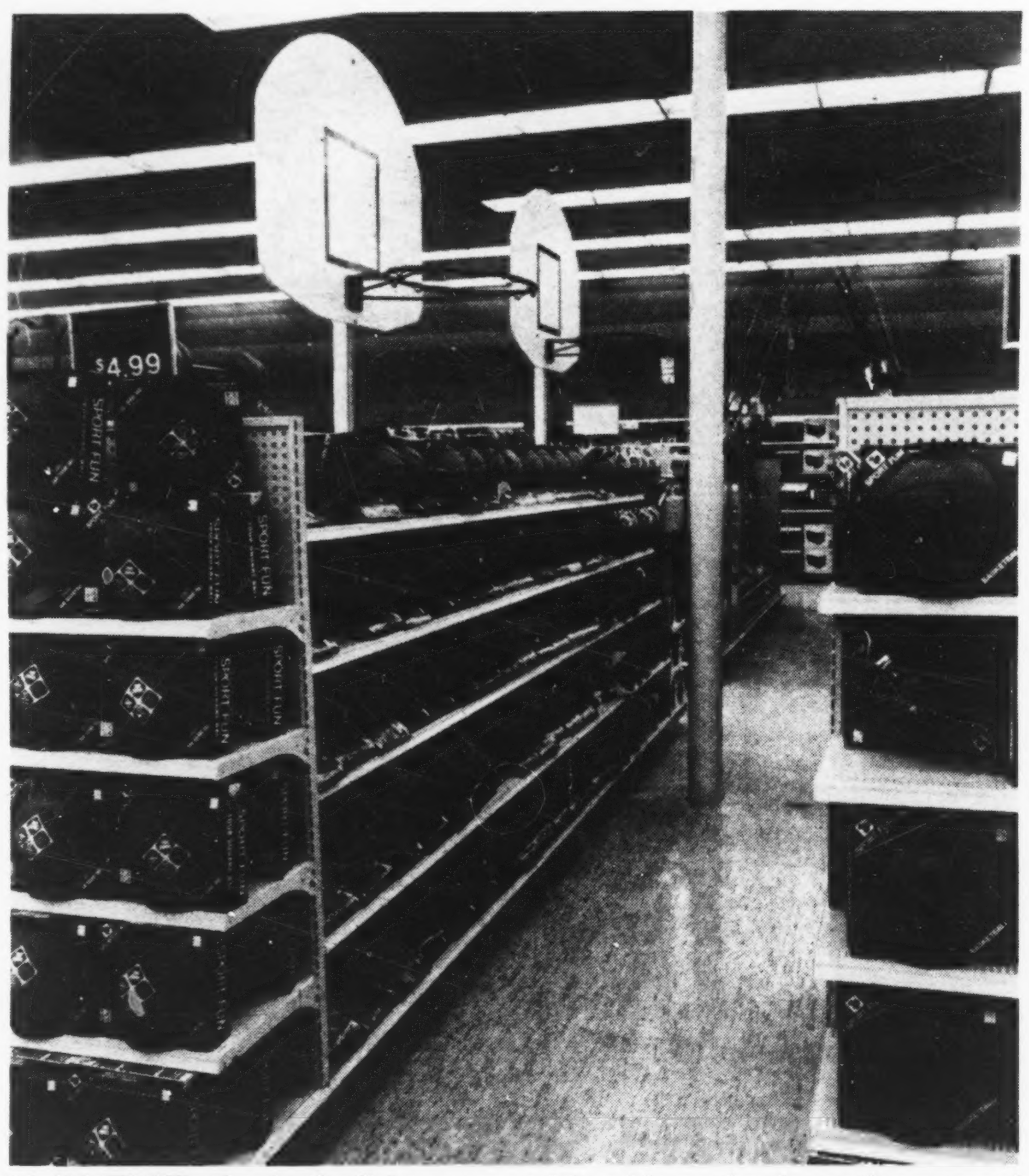
The extremely mild winter weather in most of the country did some harm to the hunting apparel business, but apparently had little effect on ammunition sales. The bulk of the ammunition sold in discount stores is for practicing and for plinking, not for the actual killing of game—and the shooters practiced and plinked as much as always in most markets.

Coleman product sales have benefited from the same gasoline shortages and inflationary pressures that have put long-distance travel out of the picture for many consumers.

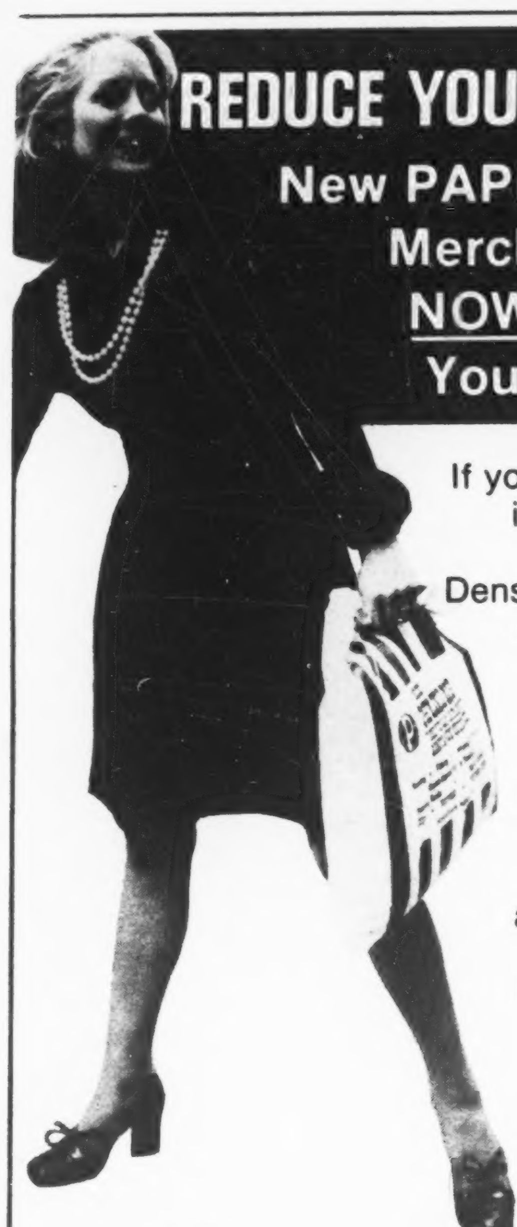
While fewer campers will be driving hundreds or thousands of miles to visit national parks and other attractions, many more families will be opting for the outdoor life as an inexpensive alternative to motels and hotels.

Whether the trip is 10 miles or a thousand, the family that is camping still needs lanterns, sleeping bags, coolers, cook stoves and tents. Even if all

(Continued on page 68)



PLAY TIME. Basketball hoops and backboards draw the eye of shoppers in Zodys, Slauson Street, Los Angeles. Basketballs are consistently high on the Stem PMA. (DSN photo)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If you're using colored paper bags, it's time you tried super strong, personalized Paperene High Density Bags. They're space-savers and freight-savers — taking up only half the storage and freight cost of paper.

Available in a full range of standard sizes, in 32 luxurious attention-getting colors, they can be custom imprinted and embossed with your name, logo, etc. Paperene High Density Bags are also stronger than paper (wet or dry) and they're greaseproof too! Call one of our packaging consultants at (312) 274-1292. He'll show you how to get *more bag for your money*.

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"There must be good money in motorcycle accessories. Otherwise why are all these chains in the business?"

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DORCY DELIVERS

Dorcy delivers profitable accessories business for these chains. And we can deliver for you, too. That's because we have the right product line, the right programs, and the right people to back them up. Our people are professionals. They know mass merchandising. They know what you need to make motorcycle accessories a key profit center in your stores. And that's what they deliver.

We would like to show you how our people and our programs can deliver for you. Contact your Dorcy representative, the regional office closest to you, or write Dorcy Cycle at 3985 Groves Road, Columbus, Ohio 44327.

DORCY FUQUA SPORTS

COLUMBUS • LOS ANGELES • ORLANDO • DALLAS • BOSTON • TORONTO • NEW YORK CITY

LIGHT TOUCH. Fast-selling lanterns cap camping and fishing equipment gondola at new Rink's, Norwalk, Ohio. Both categories made strong showings in annual PMA. (DSN photo)

SPORTING GOODS

(Continued from page 66)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
AMMUNITION					
1	2	Remington TB22 22lr Thunderbolt	51,900	1.53	79,407
2	6	Rem 1500 22Cal 100-pk lr	19,250	3.34	64,295
3	40	Rem SP12 6 2 ¾ Express shell	6,440	7.65	49,266
4	49	Rem SP12 5 2 ¾ Express shell	6,140	7.65	46,971
5	4	Rem DP12-6 shot shell	5,780	6.98	40,344
6	23	Rem Yellowdome clay targets	7,167	5.48	39,275
7	71	Rem SP12-7½ 2 ¾″ Express shot shell	4,760	7.65	36,414
8	87	Rem RS12-6 shot shell	6,200	5.53	34,286
9	42	Rem DP20-6 shot shell	5,320	6.17	32,824
10	—	Rem 22 long rifle 40 grain	19,200	1.68	32,256
11	—	Rem DQ12-8 shot shell	5,540	5.53	30,636
12	82	Rem SP20-6 shot shell	4,400	6.69	29,436
13	—	Rem SP20-4 shot shell	3,860	6.69	25,823
14	—	Rem 3″ Express shot shell	4,040	6.37	25,735
15	37	Rem DQ20-8 shot shell	4,940	5.04	24,898
16	—	Rem Yellow Jacket hollow point	11,900	2.02	24,038
17	—	Rem 38 special 158 grain	2,260	10.20	23,052
18	—	Rem 3″ Express shot shell	3,580	6.37	22,805
19	96	Rem SP16-5 shot shell	2,720	7.30	19,856
20	—	Rem 22 long rifle 29 grain	11,600	1.57	18,212
MISCELLANEOUS					
1	—	Igloo 1371 Playmate cooler	3,965	19.43	77,040
2	—	Spalding Dr J basketball	5,604	13.72	76,887
3	—	Spalding Barry basketball	3,864	16.29	62,945
4	—	Family 12-qt poly cooler	3,636	14.89	54,140
5	—	Spalding Swisher basketball	4,181	9.52	39,003
6	—	Whamo Frisbee	8,974	3.92	35,178
7	—	Ash portable 7-volt lamp	5,820	5.49	31,952
8	7	Ash flashlight/battery combo	9,234	3.45	31,857
9	12	Plano 6-tray tackle box	1,344	22.21	29,850

(Continued on page 70)

Discount Store News

PMA®

6th Annual
Product Movement Audit

Ready-to-Fish Combos Score

(Continued from page 66)

must be purchased at the same time in preparation for a trip, the single outlay in equipment will be far less than the continuing costs of room and board.

Even those families who do not camp need camping accessories—for use in the backyard, at a nearby beach or at home in an emergency.

Other sporting goods categories can be expected to show sales gains from this at-home (or *near*-home) family leisure trend. Screen houses, lawn games, outdoor activities and water sport products should all benefit from increased backyard and swimming activities this summer.

Different Emphasis

While the trend in 1980 has been to trim inventories to keep only the fastest-turning merchandise on the shelf, some categories have increased in assortment. Running counter to the trend to smaller assortments and lower stock levels are fishing tackle and exercise.

Exercise, especially the firmly established physical fitness category, is still a growth category for discounters. Middle- and high-ticket benches and exercise bikes are the mainstay in exercise volume, while the low-ticket accessories and apparel sku's add profit dollars. Most basic exercise equipment is purchased by men, under 25 years, while the women tend to spend more on apparel and fad reducing equipment.

Successful Trade-up

The trend to upgraded fishing equipment has helped that category retain its growth this year, as new rod combos and more sophisticated reels attract freespending, dedicated sports fishermen. Combinations still do 35%-50% of the fishing tackle volume at most chains, but trade-up opportunities abound in the category. Sportsmen with little to do this summer except stay home are likely to spend their available recreation dollars on new and better equipment.

Also aiding the continued growth in fishing equipment is the unabated flow of new baits, a necessary part of the mix in any fishing department and able to hook most browsers for one or more sales each visit.

More Important Role

Salt water fishing is becoming a more important factor in discount stores too, at least for the coastal chains and especially for those in the Sunbelt.

Salt water fishing is even less expensive than fresh water fishing in most locales, since no license is required, and is as easily accessible from the numerous free docks, fishing

(Continued on page 70)

Do it for the money.

No other product on your shelves lubricates, penetrates and protects like Tri-Flon.

And with our promotional campaign underway, nothing will move off your shelves like Tri-Flon.

Tri-Flon sprays on with billions of specially processed microscopic Teflon* beads that roll like bearings to provide a virtually friction-free surface coating.

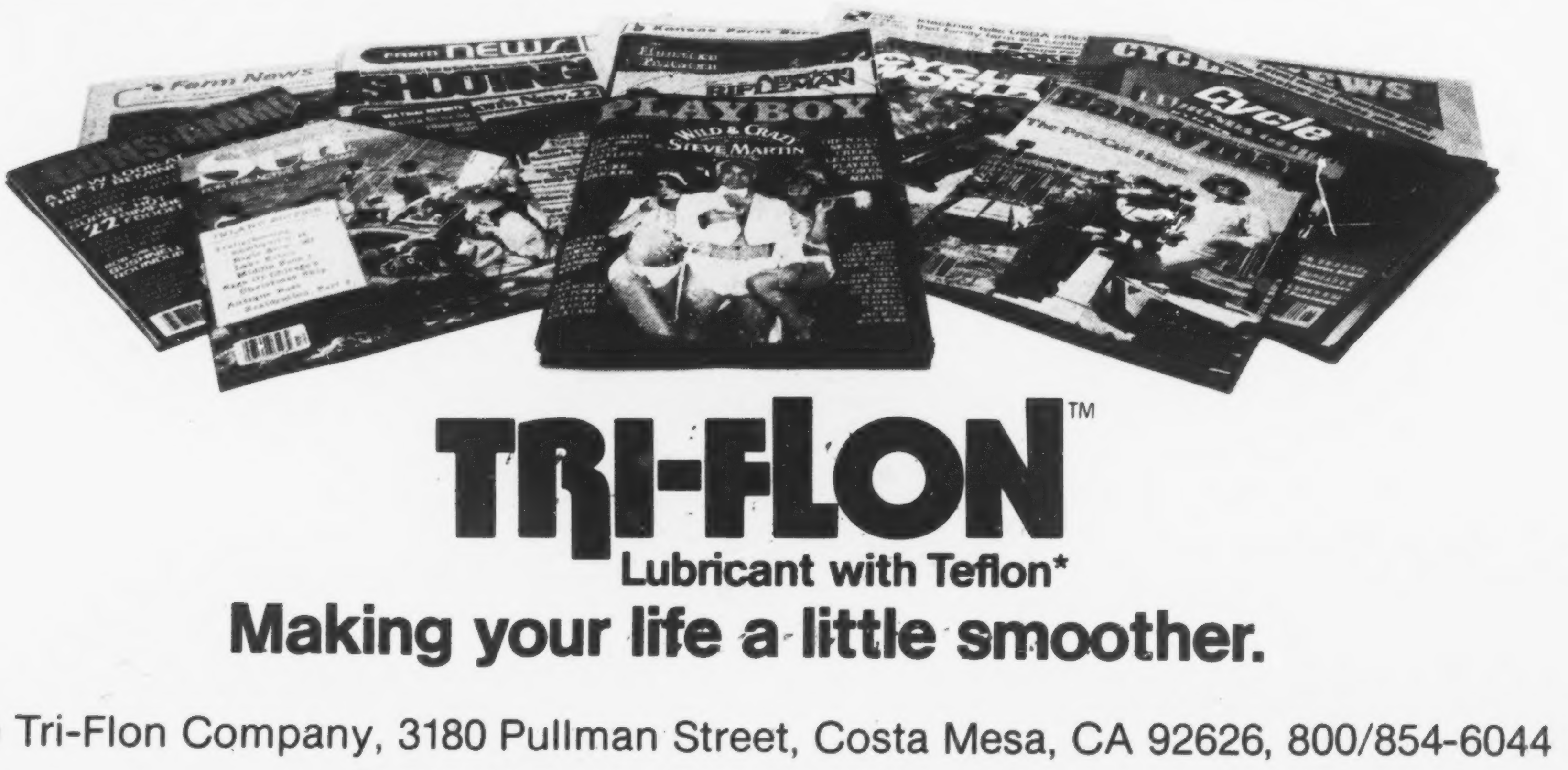
Tri-Flon is effective in temperatures of −65°F to +470°F. It prolongs wear, inhibits and breaks up corrosion, draws out moisture and keeps moving parts moving in appliances, tools, sporting goods, marine equipment, guns and just about any sort of mechanical device.

Tri-Flon is a brand new product so markets and uses are still expanding and developing. We've started a program to get Tri-Flon moving with heavy exposure in specialty and general interest publications. You'll also be hearing from us soon on radio and television in selected markets.

We know once we get a can of Tri-Flon in the customer's hand it will sell itself.

All you have to do is enjoy the high profit margin and keep Tri-Flon on the shelf.

For more information call or write us at the Tri-Flon Company. You'll profit from the experience.



TRI-FLON™
Lubricant with Teflon*
Making your life a little smoother.

The Tri-Flon Company, 3180 Pullman Street, Costa Mesa, CA 92626, 800/854-6044

*Registered trademark of E.I. Dupont de Nemours & Co., (Inc.)

COOL, MAN. Coolers, like these Coleman products displayed at King's, Newton, Mass., are expected to continue selling strongly as family leisure activities stay in the nation's backyards. (DSN photo)

SPORTING GOODS

(Continued from page 68)

* Note: Coleman products were not carried by Stem Distributing during the period covered by the last annual PMA, and as a result no ranking from the previous list was available.

COLEMAN PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Fuel, gallon	71,944	4.00	287,776
2	Double-mantle lantern	6,553	30.19	197,835
3	2-Burner stove	3,833	31.47	120,625
4	48-qt Poly cooler	2,746	30.11	82,682
5	44-qt Cooler	2,212	34.69	76,734
6	34-qt Poly cooler	4,032	15.71	63,343
7	275-710 Lantern	1,741	34.03	59,246
8	3-lb Nylon sleeping bag	2,387	19.91	47,525
9	A704 Sleeping bag	2,229	20.55	45,806
10	Adjustable catalytic heater	929	46.24	42,957
11	2-Burner stove	885	41.23	36,489
12	Propane lantern	1,534	22.90	35,129
13	1-gal Jug	3,555	9.43	33,524
14	56-qt Cooler	775	40.58	31,450
15	Propane fuel	10,776	2.73	29,418
16	4-gal Oscar cooler	1,936	13.74	26,601
17	Silk lantern mantle, 2-pak	48,750	0.53	25,838
18	Economy propane stove	564	37.96	21,409
19	2-gal Jug	1,361	12.44	15,931
20	3-gal Roundabout	1,198	13.74	16,461

Source: Stem Distributing

Discount Store News

PMA®

6th Annual
Product Movement Audit

Ready-to-Fish Combinations Make Splash

(Continued from page 68)

piers and surf casting areas set aside by local governments.

The air guns listed on this year's chart are another indication of increased togetherness in American families seeking inexpensive leisure activities.

A father and son (or daughter, less frequently) can spend many enjoyable afternoons together in the woods, basement or backyard plinking with an air-powered rifle or hand gun, at minimal expense. Ammunition for the air guns is very inexpensive—and recoverable when a trap is used—and the guns are sophisticated enough so even dad can enjoy the sport.

More good news for the bottom line in sporting goods departments comes from the apparel side, where running shoes, warm-up suits and sweatsuits are adding moderate to high tickets and high gross margins.

More Emphasis

At some chains, apparel items now constitute 30% or more of the sporting goods volume, and growth opportunities are available in gym suits, specialized shoes and apparel for specific sports and apparel accessories for sportsmen.

The end result of the apparel business is a gradual easing of the gross margin crunch that had characterized sporting goods in recent years. Generally less promotional merchandise mixtures, selective sku cuts in some areas, concentration on higher-margin accessory items in hard and soft sporting goods lines and a growing consumer preference for basic, family-oriented leisure equipment may produce an average departmental gross margin of 30% soon.

Power Equip. Group Plans April Meet

WASHINGTON, D.C.—The Outdoor Power Equipment Institute will hold a one-day conference April 10 for marketing managers in the power equipment industry.

The conference, "Strategic Planning for the 80's" will be held at the Midway Motor Lodge (Airport), Milwaukee. The registration fee is $75 for OPEI members, $125 for nonmembers. Interested retailers should contact Norman Sharp, OPEI, 1901 L St. (Suite 700), Washington, D.C. 20036.

NACSM Moves

NEW YORK—The National Association of Catalog/Showroom Merchandisers has moved its office to 276 Fifth Ave., New York, N.Y. 10001. Its new phone number is 212-686-9315.

Coleman® Lanterns, Stoves & Heaters.
Our name alone
gives folks a warm feeling.

Seems like they come in the door looking for the Coleman name. Whether they're buying gas or propane…lanterns, stoves or heaters…we give 'em a warm feeling every time.

Maybe it's knowing that Coleman has been in the woods more than anyone else. Maybe the recommendation of a good friend. Or the way the features stack up in various consumer reports. Or the economy of Coleman fuel.

Whatever it is, it sells a lot of products for you and us. It makes a lot of friends, too. And when you get right down to it, that gives everybody a warm feeling. Just ask your Coleman man.

COLEMAN BUILDS TOUGH STUFF.

Coleman®

The Coleman Company, Inc. • Wichita, Kansas

HEALTH & BEAUTY AIDS

(Continued from page 64)

DEODORANTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
12	Mennen Speed Stick Reg 2.5 oz	49,104	1.40	68,746
13	Brut 33 Deod Stick 2.75 oz	54,012	1.27	68,595
14	Secret Roll on Reg 2.5 oz	26,972	2.33	62,845
15	Sure Deod Uns 4 oz	31,444	1.94	61,001
16	Arrid X-Dry Spr Rg 6 oz	24,400	2.44	59,536
17	Sure Roll on Deod Uns 2.5 oz	24,740	2.33	57,644
18	Secret Deod Spray 7 oz	19,776	2.88	56,955
19	Secret Deod Roll on 1.5 oz	31,572	1.58	49,884
20	Secret Antiperspirant 4 oz	24,772	1.94	48,058

SANITARY NAPKINS & TAMPONS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Tampax Super 40's	117,954	2.38	280,731
2	MDS Stayfree Maxipads 930 30's	78,192	3.27	255,688
3	Tampax Regular 40's	85,374	2.38	203,190
4	MDS Stay Super Maxipads 30's	52,920	3.43	181,516
5	MDS Stayfree Maxipads 948 48's	32,478	4.95	160,766
6	Modess Super 123 40's	31,740	4.15	131,721
7	Tampax Super Plus 40's	52,518	2.38	124,993
8	New Freedom Maxi Pads 30's	38,088	3.27	124,548
9	Kotex Super 210 30's	36,252	3.27	118,544
10	MDS Stayfree Minipads 30's	43,500	2.38	103,530
11	Kotex Lightdays Oval Pads 30's	45,432	2.15	97,679
12	Pltx De Tm Sup 28's	45,192	2.16	97,615
13	PL DE TMP PL 28's	41,172	2.35	96,754
14	Modess Regular 113N 40's	21,384	4.15	88,744
15	MDS Stayfree Maxipads 912 12's	65,064	1.34	87,186
16	Modess Hospital 138 24's	23,772	3.56	84,628
17	Kotex Regular 110 30's	24,372	3.27	79,696
18	Pltx Deod Tmp Reg 28's	36,444	2.16	78,719
19	Kotex Maxipads #190 30's	22,776	3.27	74,478
20	MDS Stayfree Deod Minipads 30's	23,304	2.66	61,989

CURLERS & PERMS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Rave Soft Perm Refill 3182	38,076	2.87	109,278
2	Rave Soft Perm Kit 3180	22,620	4.71	105,540
3	Toni Perm Refill Regular 1121	16,518	3.11	51,371
4	Toni Silkwave Perm Super 1131	12,801	3.11	39,811
5	Lilt Push Button 34440	11,082	3.52	39,009
6	Lilt Regular 32750	12,462	3.10	38,632
7	Lilt Special 34050	14,370	2.60	37,362
8	Toni Spin Curlers 3281	10,494	3.11	32,636
9	Toni Silkwave Perm Gentle 1111	10,344	3.11	32,170
10	Loreal X Bdy Perm Normal D1091	10,276	3.10	31,856
11	Lilt Super 32380	8,610	3.10	26,691
12	Toni Curl Free Kit 1520	6,300	3.82	24,066
13	Toni Silver Curl Perm 1451	6,135	3.52	21,595
14	Lilt Body Wave 31327	7,584	2.60	19,718
15	Toni Silkwave Body Refill 1181	6,072	3.11	19,552
16	Loreal X Bdy Perm Tnt & Blch D1092	7,432	2.60	19,323

CREME RINSES & CONDITIONERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Flex Balsam w/Body 6970 16 oz	57,606	2.24	129,037
2	Flex Balsam Regular 6969 16 oz	45,402	2.24	101,700
3	Agree Conditioner w/Body 12 oz	50,952	1.82	92,733
4	Agree Conditioner Regular 12 oz	48,196	1.82	87,717
5	Vidal Sassoon Fnsh Rinse 8 oz	29,592	2.60	76,939
6	Wella Balsam w/Body 16 oz	38,592	1.99	76,798
7	Silkience Cond Ex Body 15 oz	28,684	2.23	63,965
8	Tame Cond Cln Rnse X-Body 16 oz	27,732	2.07	57,405
9	Wella Kolestrol Tube 4.25 oz	31,182	1.81	56,439
10	Silkience Cond Reg 15 oz	21,854	2.23	48,734
11	Flex Balsam Light Cond 16 oz	20,970	2.24	46,973
12	Faberge Organic Cond 15 oz	23,196	1.99	46,160
13	Agree Conditioner Oily 12 oz	24,852	1.82	45,231
14	Vidal Sassoon Remois Cr 4 oz	12,324	3.60	44,366
15	Tame Cond Cln Rnse Normal 16 oz	21,468	2.06	44,224
16	Wella Balsam Regular 16 oz	20,820	1.99	41,432

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Discount Store News

PMA®

6th Annual Product Movement Audit

Bar Soap Sales Up Over 30%

(Continued from page 64)

pons. Kimberly-Clark, also showing gains in 1979, is expanding its deodorant concept to include the Lightdays brand.

Another growth classification to witness increased competition in the 80's is the home permanent. Rave, from Chesebrough-Pond, took the perm segment by storm and landed in the No. 1 and No. 2 positions. An ammonia-free soft perm, Rave created a new market into itself. Gillette's Lightwaves, capitalizing on the same concept, was No. 17 and 18. Clairol expects to enter the fray with its Kindness soft perms. These products will contain additional conditioners to maximize manageability.

The traditional perm market, dominated by Toni and Lilt, saw significant growth in 1979 because of the trend toward curlier fashions. Chesebrough-Pond promised to shake up this segment in 1980 with its Extra Curly line extension.

Shifting Emphasis

The creme rinse and conditioner category, still dominated by Flex and Agree, also experienced a shakeup in 1979. Sassoon reached the top five with its finishing rinse, and placed No. 14 with the remoisturizer. Current numbers promise an even better year ahead for this line. Gillette fared well with Silkience in the No. 7 and 10 spots, and Clairol placed two sku's of Condition II in the top 20.

Shampoos were again led by Head & Shoulders with Flex, Agree and Prell rounding out the top five. Sassoon streaked to No. 6, again illustrating the importance of this brand in the hair care department. Clairol's Conditioning Shampoo made its presence felt in 1979 by capturing the No. 11 position.

Our largest growth in the hair care segment was in the category marketed for blacks. Ultra Sheen, although still the dominant factor, lost the No. 1 spot to Carson Chemicals' Dark & Lovely Kit. Revlon placed all three formulations of its relaxer kit in the top 10, and T.C.B. jumped to No. 4 with its 8-oz. Hair Dressing. The showings of Dark N Lovely and T.C.B., as well as the strength of other relatively new lines, such as Sta Sof and Pro, demonstrate how volatile this category has become.

Growth in the razor and blade department was spurred by Atra's success in garnering the No. 3 and 7 positions with blades, and No. 20 with its razor. Warner-Lambert's Personal Touch 4's also hypoed sales by climbing to No. 8.

The really big story in this department, however, continues to be the disposable razor. Good News is still the dollar sales leader but Bic no longer lags far behind. Sales

(Continued on page 77)

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Discount Store News

PMA®

6th Annual Product Movement Audit

Bar Soap Sales Up Over 30%

(Continued from page 72)

have not reached their potential as many retailers hesitate to radically expand facings or to promote disposables on endcaps on a regular basis.

The introduction of new packs by both Good News and Bic, and the entry of Schick into the market will help to increase the exposure of this profitable category.

Aside from placing its 4-pack in the No. 5 position in the blade PMA, Bic attained the No. 1 spot in the trial-size ranking with its 2-pack men's shaver. The profitability of trial sizes for the retailer, and the manufacturer's accessibility to new users, have maintained trial sizes as an ongoing department in the discount store.

New Strategy

Many manufacturers are now making trial sizes of established brands available on a regular basis. New-product introductions accompanied by trial sizes have also become accepted practice in the industry.

Merchandising of the trial products is the key to success, as the sale is almost entirely impulse. Wire baskets on endcaps or at the checkouts have yielded the best results for stimulating everyday sales. Exceptional values to the customer, which are available on occasion, will yield tremendous sales if promoted in print ads.

Gemco/Memco Bows In Tucson, Las Vegas

BUENA PARK, Calif.—Gemco/Memco entered two new markets as it opened four stores to boost its count to 76. The chain projects passing the 80 mark in 1980.

The two new markets for the Gemco nameplate are Las Vegas, Nev., and Tucson, Ariz., where 102,000-sq.-ft. units were unveiled. Each market will get another Gemco this year, an executive said.

Gemco/Memco's parent Lucky Stores already has supermarkets in both markets, giving the company a base from which to develop customers for its membership discount stores.

Still Developing

Gemco's move into Tucson extends its Arizona operation to the state's second largest city. There are Gemco units in Phoenix and the suburbs of Glendale and Tempe, the largest market in Arizona.

The other two Gemco/Memco openings were a 104,000-sq.-ft. Memco in Baltimore as the second in that city with another due this year, and a 102,000-sq.-ft. Gemco in Riverside, Calif., the second in that Los Angeles suburb.

HEALTH & BEAUTY AIDS

(Continued from page 72)

CREME RINSES & CONDITIONERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
17	Clairol Condition Jar 4 oz	13,260	3.02	40,045
18	Condition II Cr Ex Body 16 oz	16,958	2.23	37,816
19	Clairol Condition Jar 8 oz	7,002	5.25	36,761
20	Condition II Cr Ex Pro Frm 16 oz	15,892	2.23	35,439

SHAMPOO

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Head & Shoulders Ltn 15 oz	49,320	3.46	170,647
2	Flex Shampoo Normal 7156 16 oz	73,908	2.12	156,685
3	Agree Shampoo Regular 12 oz	62,616	2.28	142,764
4	Prell Shampoo Liquid 16 oz	44,804	2.89	129,484
5	Head & Shoulders Ltn 11 oz	45,420	2.70	122,634
6	Vidal Sassoon Shampoo 8 oz G30	43,344	2.60	112,694
7	Faberge Organic Shampoo 15 oz	42,144	2.56	107,889
8	Flex Shampoo Oily 7157 16 oz	47,814	2.12	101,366
9	Agree Shampoo Oily 12 oz	43,080	2.28	98,222
10	Agree Shampoo Balsam 12 oz	42,028	2.28	95,824
11	Clairol Cond Sham Normal 16 oz	41,148	2.05	84,353
12	Prell Shampoo Tube Conc 7 oz	27,756	2.89	80,215
13	Head & Shoulders Tube 7 oz	24,864	2.70	67,133
14	Prell Sham Liquid 11 oz	24,548	2.69	66,034
15	Head & Shlders Ltn 7 oz	60,424	2.00	120,848
16	Breck Shampoo Normal 15 oz	20,268	2.88	58,372
17	Body On Tap Shamp Normal 11 oz	22,404	2.15	48,169
18	Flex Shampoo Tint & Bleach 16 oz	22,398	2.12	47,484
19	Milk Plus 6 Sham Normal 8 oz	21,324	2.04	43,501
20	Breck Shampoo Oily 15 oz	15,036	2.88	43,304

BLADES & RAZORS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Gillette Trac II Crtg 1265N 9's	90,932	2.86	260,066
2	Good News Razor Disposable 3 Pak	288,216	0.72	207,516
3	Atra Cartridge 5's	82,620	1.70	140,454
4	Gillette Trac II Crtg 1250 5's	86,004	1.60	137,606
5	Bic Shaver 4 Pak R69B	214,668	0.63	135,241
6	Gillette Trac II Crtg 14's	32,616	4.00	130,464
7	Atra Cartridge 10's	38,436	3.20	122,995
8	Personal Touch Rfl Cart 4's	54,336	1.77	96,175
9	Schick II Twin Cart 349 9's	26,940	3.39	91,327
10	Gillette Supr SSDE 1981N 10's	38,832	2.34	90,867
11	Gillette Supr Blue DE 1013 15's	33,564	2.20	73,841
12	Schick II Ultrex Cart 4's	43,308	1.59	68,860
13	Schick Plus Plat Inj 15's	20,880	3.16	65,981
14	Lady Flicker Razor 0018	37,044	1.76	65,197
15	Schick Plus Plat Inj 604 7's	33,936	1.82	61,764
16	Gillette Plat Plus DE 1432 10's	22,800	2.60	59,280
17	Gillette Techmatc Adj 1829 10's	19,572	2.74	53,627
18	Schick II Twin Cart 340 5's	26,784	1.91	51,157
19	Schick Sup Chrom Inj 794 8's	22,992	2.14	49,203
20	Atra Razor 2888	11,778	3.96	46,641

ETHNIC PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Dark N Luvly Relaxer Kit	11,348	4.76	54,016
2	Ultra Sheen Condition 8 oz	16,251	2.88	46,803
3	Revlon Relaxer Kit Regular	6,534	5.94	38,812
4	T C B Hair Dress 8 oz	9,606	3.27	31,412
5	Revlon Relaxer Kit Mild	5,208	5.94	30,936
6	Revlon Relaxer Kit Super	4,715	5.94	28,007
7	Ultra Sheen Permanent Regular	5,854	4.76	27,865
8	Ultra Sheen Cond X-X Dry 8 oz	9,272	2.88	26,703
9	Ultra Sheen Permanent Super	5,008	4.76	23,838
10	Ultra Sheen Permanent Mild	4,541	4.76	21,615
11	Sta Sof Fro 16 oz	3,839	3.99	15,318
12	Hair Rep 14 oz	9,441	1.58	14,917
13	Sta Sof Fro Spray Regular 8 oz	7,303	2.00	14,606
14	Pro Line Hair Food 7.5 oz	4,370	3.00	13,110
15	Pro Line Hair Food 4 oz	6,907	1.60	11,051
16	French Perm Kit Regular	2,318	4.76	11,034
17	Sulfer 8 H&S 17319 4 oz	5,271	2.08	10,964
18	Ultra Sheen Relaxer 16 oz	2,357	4.04	9,522
19	French Perm Kit Mild	1,935	4.76	9,211
20	Posner Bergamot 7 oz	4,806	1.88	9,035

(Continued on page 78)

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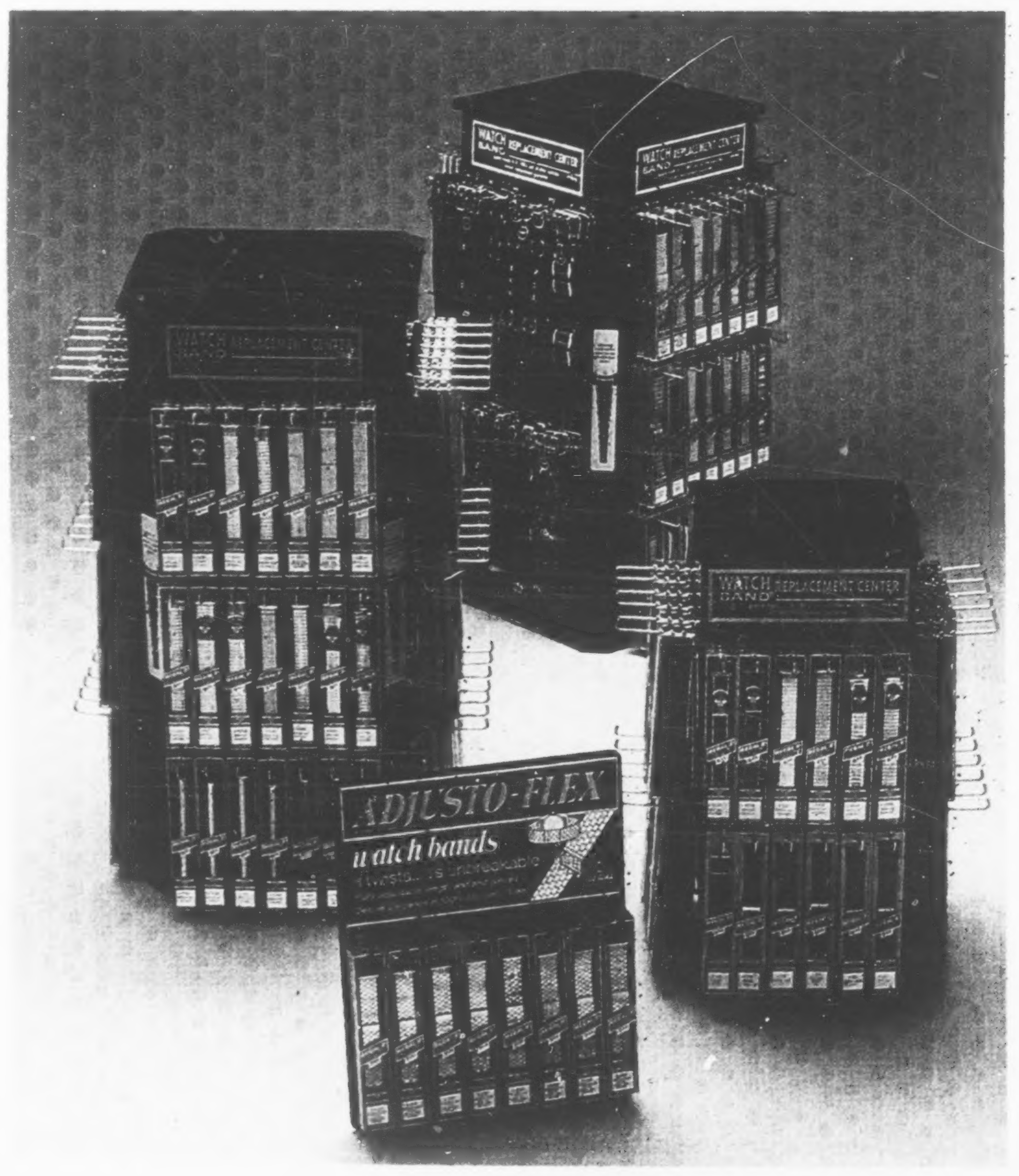

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Dept. Store Offspring Carve Niche

(Continued from page 3)

might, for example, expand Easter candy.

The emphasis on merchandising was underscored by one Richway store manager, who said that historically "discounters with a department store background have placed more importance on the buyers. The buyers think anyone can run a store. We think it's easier to buy merchandise."

Clearly, the merchandising strategy of the upscalers, with their emphasis on apparel, domestics and high-margin home furnishings like wicker, lamps and wall hangings, points to a profitable formula.

"It doesn't take a genius to give away Prestone," said James Hyman, vice president and general merchandise manager of Bradlees, one of the few upscalers, along with Caldor, without a department store heritage.

With increased competition from catalog showrooms in hard lines, upscalers clearly have to offer customers a reason other than price to shop their stores.

"We're still in a price business," observed David Snell, vice president of marketing and sales promotion, Gold Circle. "We have to be, in H&BA and household chemicals. They are hot tonnage items on which we are very competitive and that we stand by. But we have to identify what we do well, and low price is not one of the main reasons customers shop our stores."

Gold Circle's strongest soft lines stores do 45% of their sales in wearables and an additional 10%-15% in domestics. Richway does approximately 40% in soft lines overall while at Bradlees, apparel and domestics together do 60% of sales.

Clearly the main stumbling block to successful apparel merchandising is the unavailability of most national brands—a particular sore spot among merchandisers at the chains.

"Brands give us credibility," said Jack Heilpern, vice president for soft lines at Richway.

Questionable Practice

"Our stores are beautiful—there's no reason we shouldn't have Arrow shirts or Jockey underwear. We are a logical outlet for mass-produced brands—not necessarily designer labels. The manufacturers should see our distribution potential—but they have an ego problem."

Most of the trade-up group have stressed the brands they do have, like Wrangler, Hanes, Dickie and Fruit of the Loom. Target promotes Ditto jeans. Richway and Target buy Levi's through secondary sources, and Target caused a mild uproar when it promoted Calvin Klein, Gloria Vanderbilt and Sasson jeans. While most merchandisers are open to off-price buys of hot brands to generate traffic, they recognize their bread and butter is in fashion, continuity and selection.

While the department store children may have inherited their soft lines orientation from their founders, the second generation of middle management has several origins. Buyers and store managers are from Sears and Penney, other discounters or specialty chains.

"All our key people are not out of the department store but out of the discounter," said Richway's Heilpern.

Upscale discounters now appear to use the resources of their parent companies for operations rather than merchandising.

"We have gotten support services from Rich's, but they have no influence in our merchandise strategies," said John Weitnauer, chairman of Richway.

Snell pointed out that Gold Circle may draw on the expertise of Federated's planners, but noted: "We first must define what we want—as we do that, the solutions become obvious."

As the second and third generations of upscale discounters talk to each other and learn from each other's mistakes, their stores are likely to look more and more alike.

HEALTH & BEAUTY AIDS

(Continued from page 77)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
TRIAL SIZES				
1	Bic Shaver 4 Pack Disp 7912A	87,264	0.63	54,976
2	Excedrin Trial Size PP 12's	154,368	0.28	43,223
3	Colgate TP Trial Size .75 oz	235,872	0.15	35,381
4	Prell Liquid Trial Size 1.5 oz	131,760	0.23	30,305
5	Stayfree Deod Mini Pad Trial 290	139,584	0.20	27,917
6	Gleam Toothpaste 3 oz	50,508	0.54	27,274
7	Stayfree Mini Pad Trial PP 5 5	163,760	0.15	24,564
8	Efferdent Tabs Trial 6's	100,728	0.24	24,174
9	Flicker Trial Size T39X	69,552	0.31	21,561
10	Curad Trial Size 10's	139,584	0.15	20,938
11	Faberge Organic Shampoo Trial 2 oz	77,904	0.23	17,918
12	Baby Fresh Take Along Trial 18's	41,688	0.39	16,258
13	Bic Lady Shaver Trial R25L12 2 Pk	74,520	0.20	14,904
14	Agree Shampoo Trial PP 2 oz	63,840	0.23	14,683
15	Silkience Cond Trial Size PP 2 oz	45,600	0.31	14,136
16	Edge Shave Cream Trial PP 2.5 oz	33,840	0.39	13,198
17	Duration Trial Size PP .1 oz	33,768	0.39	13,170
18	Phisoderm Trial Size PP 1 oz	40,608	0.31	12,588
19	Milk +6 Trial Size Display 7882	30,672	0.39	11,962
20	Brut Shampoo Trial Size 2 oz	50,472	0.23	11,609
BABY PRODUCTS				
1	J&J Baby Powder Econ 3025 14 oz	62,220	2.00	124,440
2	Q Tips Cotton Swabs 300's	69,120	1.70	117,780
3	J&J Baby Shampoo IMP 3721 16 oz	33,168	3.27	108,525
4	Vas Int Care Baby Powder 24 oz	59,196	1.59	94,240
5	J&J Cotton Swabs 8216 400's	35,208	2.55	89,851
6	Baby Fresh Wipes 6718 40's	73,134	1.19	87,176
7	J&J Baby Powder Fam 3027 24 oz	26,736	3.08	82,347
8	J&J Baby Shampoo 3719 11 oz	32,472	2.47	80,271
9	Vas Int Care Baby Sham 16 oz	45,504	1.59	72,442
10	Q Tips Cotton Swabs 4-5070 170's	54,720	1.31	71,793
11	Vas Int Care Baby Oil 16 oz	43,920	1.59	69,921
12	J&J Baby Powder Lge 3021 9 oz	42,564	1.48	62,995
13	Vaseline Pet Jelly 4-2343 15 oz	33,876	1.80	60,977
14	Vaseline Petr Jelly 4-2352N 7.5 oz	40,428	1.28	51,748
15	Diaperene Wash Cloths 7050 70's	31,188	1.60	49,901
16	J&J Baby Ltn Econ 3516 16 oz	15,276	3.24	49,494
17	Whites A&D Oint 85-WMJ-2 4 oz	23,388	1.99	46,542
18	J&J Baby Oil Lge 3308N 10 oz	19,008	2.44	46,380
19	Vaseline Pet Jelly 4-2326 3.75 oz	51,552	0.86	44,335
20	Diaprene Wash Cloths 150's	16,332	2.70	44,096
TOOTHPASTE				
1	Crest Reg Toothpaste 7 oz	207,096	1.52	314,786
2	Crest Mint Toothpaste 7 oz	174,200	1.52	264,784
3	Crest Reg Toothpaste 9 oz	90,756	1.96	177,882
4	Crest Mint Toothpaste 9 oz	88,972	1.96	174,385
5	Aim Toothpaste 6.4 oz	125,984	1.27	160,000
6	Colgate Dental Cream Fm 7 oz	80,932	1.29	150,842
7	Aim Toothpaste 8.2 oz	84,680	1.54	130,407
8	Aqua Fresh Toothpaste 6.4 oz	71,880	1.78	127,946
9	Close Up Reg Toothpaste 6.4 oz	84,328	1.51	127,335
10	Colgate Dental Cream Sup 9 oz	71,614	1.70	121,744
11	Crest Reg Toothpaste 5 oz	93,224	1.16	108,140
12	Crest Mint Toothpaste 5 oz	88,456	1.16	102,609
13	Pepsodent Toothpaste Sup 8.3 oz	58,164	1.41	84,919
14	Colgate Dental Cream Lge 5 oz	78,096	1.06	82,782
15	Sensodyne Toothpaste Econ 4 oz	42,312	1.86	78,700

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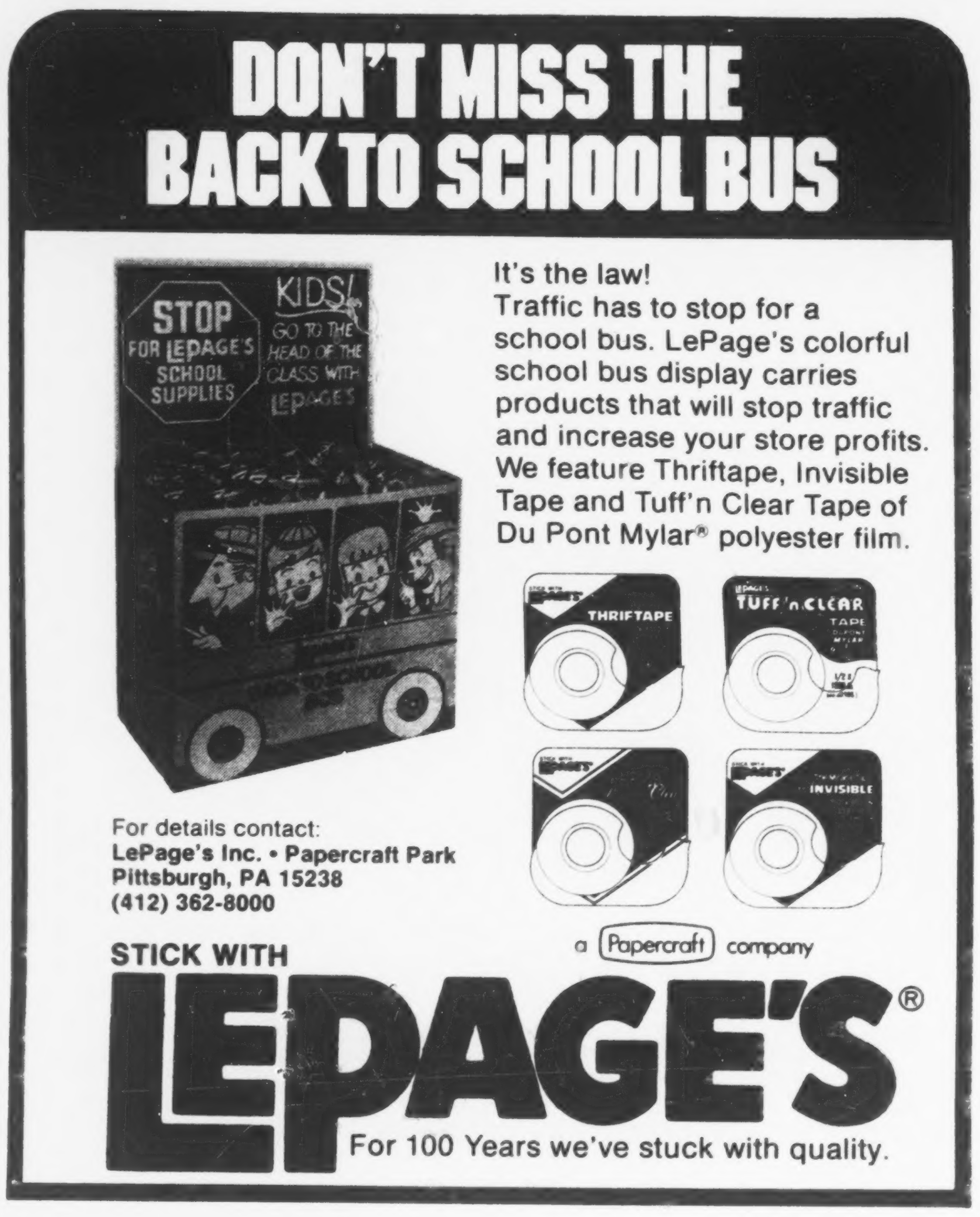
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H&BA Trends: Pp. 15-16

Discount Store News

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New Prototypes Sprout; Apparel, Home Decor Upstyled

Nationwide DSN Report

On the threshold of a new decade, discounters around the country have been unveiling a new look which they say will be the blueprint for discounting in the 80's.

At the core of the heavily bankrolled trend are chains' desire to carry more fashion-sensitive (and expensive) items in both apparel and home decor, and their need to further differentiate themselves from their discounting neighbors.

Macks (variety stores) is one of the chains seizing the moment with its upscale entry into discounting, Maxway. Wal-Mart, Gold Circle, Rose's, Richway and Magic Mart are also among the chains trading capital expenditures for a better market position.

(Jefferson, the discount branch of Montgomery Ward which was about to debut with eight smaller-format stores in Philadelphia, has suspended its plans until 1981, according to one chain source, after budget talks scheduled for later this year have been concluded.)

Maxway, Macks' discount store spinoff, is a quarter-of-a-million-dollar investment in upscale merchandising. (See photos, p. 8.)

"That $250,000 covers computerized registers, fixtures, in-store signing and some carpeting," said John Wells, controller for the chain. "It does not include leasehold improvements or buying-staff salaries." At an average expense of $6 to $7 a square foot, the outlay (per square foot) was comparable to the cost of fixturing a 15,000-sq.-ft. variety store, Wells noted.

Wells figures the actual "working" life of the store (and the payback on the investment) is roughly 10 years, but the impact on the bottom line will be immediate.

"Three years ago with 92 units, the chain was doing just over $40 million in sales." Wells said. "This year with 100 variety stores and four Maxways [three more are scheduled to open this year] we're projecting $75 million."

The chain's decision to computerize the front end at the Maxway stores goes hand in hand with its decision to track merchandise by item, and to

(Continued on page 35)

Jefferson, as in Fort Myers, Fla., store, takes a much more upscale approach to consumables than do most discounters, both in merchandise and presentation. (DSN photo)

Pop Tops in Consumables Despite Low Margins

Nationwide DSN Report

Despite relatively low margins, soft drinks are discounters' star performers in consumables.

While buyers are not anticipating greater profits or sales from other consumables—candy, snack foods and paper products—bottled soft drinks are proving to be powerful traffic items with such great sales velocity that chains often are able to make a favorable return on investment.

An Ayr-Way spokesman noting that everyday margins on soft drinks average about 20%, said: "The return on investment is tremendous. You sell the goods almost before you have to pay for them. In addition, you get tremendous service because soft drink bottlers are very competitive."

While most chains buy soft drinks through distributors, who drop ship to stores and fully service the racks that they normally supply, Jefferson services its own stores in southern Florida through its warehouse. And, while other chains will sometimes run soft drinks and other consumables at cost or below on promotion, a Jefferson spokesman said the chain tries to maintain healthy margins.

"This is a profit center," he said. "There are no loss leaders in this department."

However, Jefferson, one of the leading trade-up chains in

(Continued on page 40)

Interstate Seen Winning Control Of Vornado Board

GARFIELD, N.J.—A repeat of last year's open battle for control of Two Guys seems to have been averted by an agreement between the two warring parties.

The management of Vornado, Two Guys' parent company, and the three principals of Interstate Properties Inc., the insurgents who won three board seats in last year's bitter proxy fight, reached a compromise which is expected to give Interstate control of the board of directors.

The two factions have agreed to support a three-man slate for

(Continued on page 40)

Discounting Week

FEDMART SWITCH. Bernard Litwak has resigned the presidency of King's to become president and coo of FedMart. Sol Kittay, who recently acquired a controlling interest in King's, will take over there as president as well as retaining his title of chairman. At FedMart, president Heinz Gundlach becomes vice chairman, ceo and chairman of the executive committee. The change followed industry speculation that FedMart might be helped by an American president with a greater knowledge of United States retailing.

TRANSFER. Zayre has sold the nine stores in its Shoppers City division in Minnesota to K mart.

PIONEER. George Farkas, 78, founder, ex-chairman of Alexander's, died of a heart attack in Palm Beach, Fla. He opened his first store in 1924 in New York.

Wal-Mart Bow Prelude to Metro Unit?

Gold Circle Evolves Model For Remodels

Two major discounters unveiled new looks almost simultaneously in recent weeks—Wal-Mart and Gold Circle.

In the case of Wal-Mart, the new prototype that opened in Pine Bluff, Ark., and Moore, Okla., may signal a new strategy for the chain. Large for Wal-Mart, the 60,000-sq.-ft. stores are upscale in presentation with an emphasis on fashion apparel.

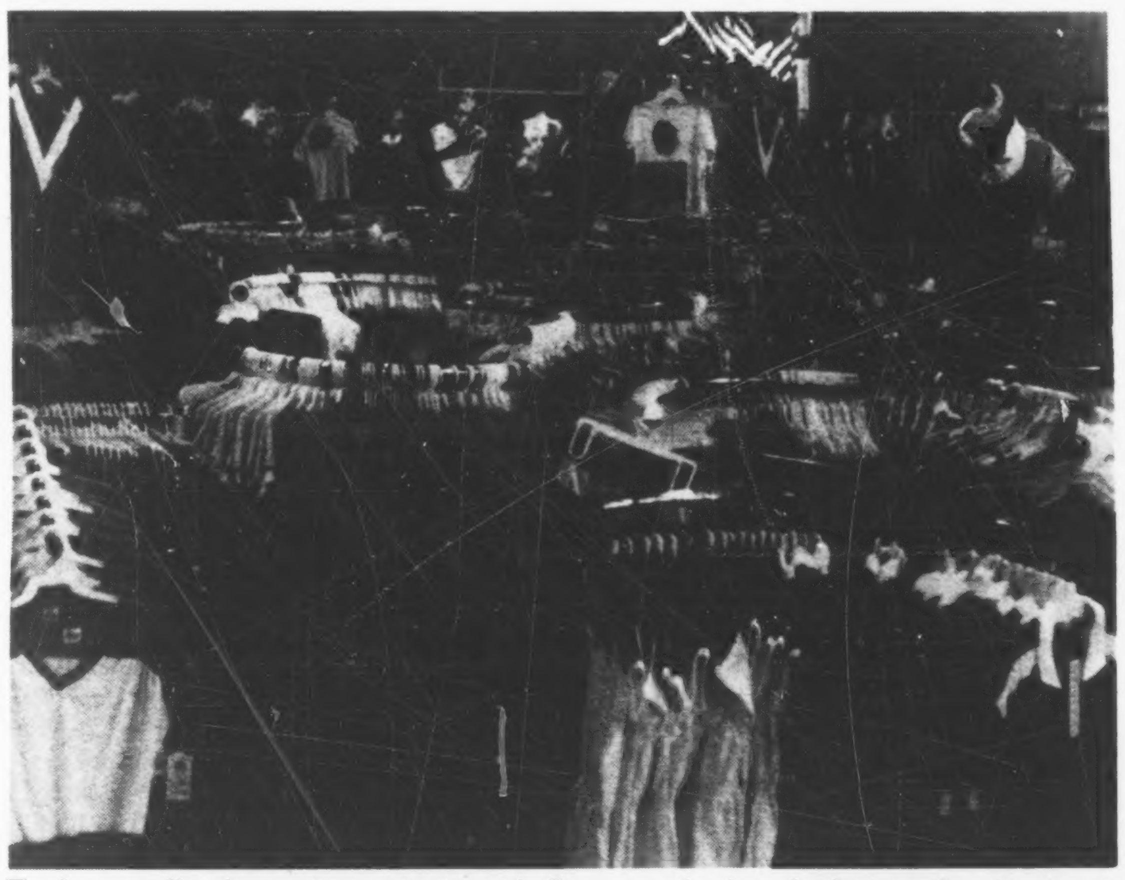
Gold Circle's prototype unit is not a new store, however, but rather the model for improvements in aging stores that had begun to decline in appearance and sales.

Located near Gold Circle's Worthington, Ohio, headquarters, the redone unit on West Broad Street in Columbus is the first of six stores scheduled to be updated by the chain in 1980.

While Gold Circle long prized its image as a trade-up discount chain, Wal-Mart instead cultivated a much more basic image. And, while Gold Circle built larger stores (the West Broad Street store is 87,000 sq. ft.) in small cities and suburban areas, Wal-Mart stores average about half that size and are located in small rural towns.

But, with a new decade under way, Wal-Mart's strategy

(Continued on page 35)



Federated's department store influence helped shape the look of the sportswear department of Gold Circle's remodel prototype, on West Broad Street in Columbus, Ohio. (DSN photo)

'Get Into Politics,' Senator Urges Retailers

Hatch Maps Anti-Lubbers Fight

Sen. Orrin Hatch (R-Utah) has been an active supporter of issues favored by retailers. Elected to the Senate in 1976, he is a member of the Budget Committee and the Senate Select Small Business Committee among other assignments. This interview was conducted by John S. Friedman, Washington correspondent for Discount Store News.

Discount Store News: The discount industry has been concerned about the proposed appointment of William A. Lubbers as general counsel for the National Labor Relations Board. You have been leading the fight against his appointment. Why?

Hatch: The most powerful position on the N.L.R.B. is the general counsel. He determines who is going to be sued and which suits are going to be dismissed. He's more powerful than the chairman of the board.

To have this position filled by a person who has been subservient to the chairman seems to be not only an impropriety but also very dangerous to the future of the N.L.R.B.

DSN: Do you think you will be successful in blocking him?

Hatch: Lubbers has an interim recess appointment which will allow him to serve for a year, but the nomination may be brought to the floor of the Senate. If that happens, we are going to need help from all those senators who realize that the general counsel of the N.L.R.B. should be independent of the board.

Since Lubbers has worked with or under John Fanning, the chairman of the N.L.R.B., for 23 years, it appears to me that he does not have the required independence. We believe that we can put together enough votes to filibuster successfully against Lubbers' nomination.

One other thing is repugnant about Lubbers' nomination: There are lots of indications that the reason he was nominated is that labor wants to accomplish by N.L.R.B. fiat what it could not accomplish on the Senate floor, that is, the labor

(Continued on page 36)

Celebrity Posters Win Starring Role in Profit Picture

Nationwide DSN Report

Fast turns and fat margins are just part of the reason so many discounters are adding celebrity posters to their music departments.

Fully serviced displays, returns of unsold stock and traffic-pulling popularity make the posters—which are seldom promoted—profit centers within the department.

Sales of posters, including such other types as scenics, reproductions and animals, comprise as little as 1% of the space in many music departments, but contribute a greater proportion of the total sales.

In traditional chains, for example, poster sales generate 2%-4% of Woolco's music department sales and approximately the same percentage of T.G. & Y.'s stationery department volume. Sales at more youth-oriented tradeup chains such as Bradlees probably exceed those figures—due in part to the younger shoppers and in part to the broader assortment generally carried by the tradeup chains.

Sales of celebrity posters were estimated to be $100 million nationwide by one distributor, who sells 75%-80% of his stock through discount department stores.

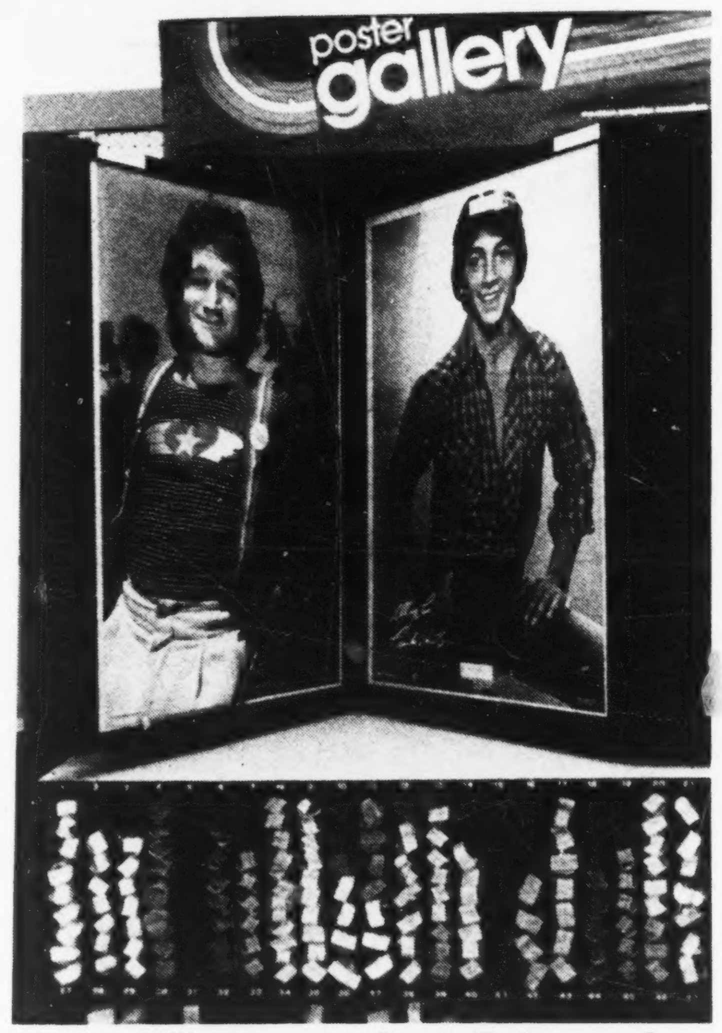
"Some may claim the $100 million figure for the industry, but I don't believe it's that big with returns," said Charles Staley, Woolco's music department buyer. (Posters that do not sell can be returned to the supplier.) "But celebrity posters are selling well, even when compared to the impact of Farrah Fawcett posters." Farrah's likeness set unprecedented sales records in the poster industry.

Posters of Bo Derek, star of the movie "10," and John Snyder, of TV's "Dukes of Hazzard" are Woolco's top sellers now. Staley features them in promotional dumps with 24, 48 or 72 one-of-a-kind shots. The dumps, like the permanent displays, are in the music department because so many posters stars are from the recording industry. Staley maintains a permanent wood display from Western Graphics of Eugene, Ore., his chief supplier. It contains a basic assortment of about 400 celebrity, scenic and lesser-personality posters. Posters are stocked with number codes corresponding to a leaf-turning display above.

The gross margin of posters is double that of records and tapes at Woolco's music department. Records get up to 25%, while celebrity posters return 40%-50%.

"The permanent display takes no more than about 10 sq. ft. in 1,000 sq. ft. of floor space, and it produces 2%-4% of the total

(Continued on page 6)



Robin Williams and Scott Baio are featured in this poster display at Rink's, Norwalk, Ohio. Self-service, high margins and six turns a year attract retailers.

T.G. & Y. service managers received actual hands-on experience—which they will pass on to other service personnel—installing car stereos at an instructional clinic run by Kraco. (DSN photo)

34 T.G. & Y. TBA Service Mgrs. Take Stereo Installation Course

OKLAHOMA CITY—With the aim of boosting already strong car stereo sales, T.G. & Y. summoned the 34 service managers of its TBA centers to a training seminar last month.

Three one-day sessions were held to hone the managers' skills in the installation of car stereos and to provide them with instructions to pass along to their service personnel.

"We've installed stereos at our TBA centers before," said Bob Springer, T.G. & Y.'s district manager in charge of auto service centers, "but we never stressed it. If a customer asked to have the stereo installed, we'd do it. However, we never promoted installations."

Larry Lide, the chain's stereo buyer, added: "Most of the installations we would do were the simple ones—putting in under-dash units and surface-mount speakers. We didn't want to get into trouble with in-dash or cutting holes for door speakers or for speakers in the deck behind the rear seat."

However, it is precisely the jobs that T.G. & Y. avoided that customers are most likely to be reluctant to tackle themselves and which represent the fastest growing segment of the car audio market. So when the chain's vendor, Kraco, told merchandisers it had developed an installation training program, T.G. & Y. executives eagerly made arrangements to bring the TBA managers together.

"Kraco came to us with the idea," said Lide, "and everybody here was enthusiastic

(Continued on page 32)

U.S. May Urge Gen. Mdse. Chains to Ice Prices

WASHINGTON—Carter Administration officials may soon begin pressuring the nation's largest discount and other general merchandise chains to freeze prices on key lines, White House consumer aides told *Discount Store News*.

The plan calls for letters from Presidential Consumer Affairs Adviser Esther Peterson to dozens of chains urging them to impose voluntary price ceilings to "ease the inflationary pressures that are causing such hardships for all consumers."

Peterson used just such an approach last month with food retailers, firing off letters to 50 major supermarket chains asking them to put a temporary cap on food price hikes. Nearly a dozen top grocery chains, including industry giants like Safeway, A&P and Grand Union, responded promptly with price freezes and the White House campaign began to snowball.

At presstime Peterson had already expanded the voluntary price moratorium effort to nonfood firms (letters were being sent to scores of drug store chains as well as food and pharmaceutical manufacturers), and plans were in the works to broaden the campaign further.

The next group to receive

(Continued on page 32)

Maloney's Readies Remodel, Plans Scaled-down Store

MOUNT STERLING, Ky.—Maloney's will remodel its 25,000-sq.-ft. Jackson, Ky., store next month to fit the prototype unit opened late last year in Norton, Va.

The 14-store Southeast regional discounter will open a scaled-down 12,000-sq.-ft. unit in Stanton, Ky., this fall, which varies from the prototype by cutting back soft goods. The new store is one of three that Maloney's projects opening this year in its tristate market area of Kentucky, Virginia and West Virginia.

Layout Changed

The first Maloney's that was remodeled to follow the new prototype was the unit in Irvine, Ky. The store was enlarged from 18,000 sq. ft. to 30,000.

Five of the chain's 14 stores are under 25,000 sq. ft., and the discounter expects to expand them eventually to fit the prototype.

The Jackson remodeling includes adopting a racetrack layout, positioning soft lines at the front of the store and hard goods in the back, and switching to 72-in.-high cube fixtures from 60-in.-high ones.

A Maloney's executive asserted that the use of cubes enables the discounter to get the display space of a 40,000-sq.-ft. store in its 25,000-sq.-ft. prototype.

The enlarging and remodeling of the Irvine store included boosting the apparel area by 30%, and going with expanded assortments in hard goods.

The scaled-down Stanton store will devote 25% of its space to soft goods and 75% to hard lines. The apparel mix will feature convenience clothing such as underwear, lingerie and hosiery but not the ladies' sportswear and coordinates merchandised in the larger stores.

The executive explained that Maloney's prime thrust is to open 25,000-sq.-ft. stores. However, the chain won't pass up smaller units geared for the smaller towns in its market.

Stanton, he noted, has a population of about 2,000, but is a county seat and serves a 10,000-population market.

The regional discounter has a 90,000-sq.-ft. warehouse in Mount Sterling which supplies its stores, all within a 150-mile radius from its headquarters.

Important Role

The executive explained that the facility handles 90% of the chain's merchandise, of which it warehouses 60%, and distributes 30% on a flow-through basis.

Jobbers supply about 10% of the merchandise on a service basis.

Maloney's is in the process of computerizing its warehouse, including developing sku numbers for every item. "Our aim is a two-week turnover in the warehouse," he said, "and the sku numbers will enable us to key in every item when received and when shipped."

The discounter now captures sales information by department at the store level, but computerizing the warehouse will provide faster and more accurate information for replenishment, he added.

The discounter opened five stores in the fourth quarter of 1979, in Norton, Va. (25,000 sq. ft.); and in four Kentucky towns—Whitesburg (25,000); Prestonsburg (14,000), and Inez and Olive Hill (each 10,000).

The Whitesburg store is an ex-Gibson.

Gibson is one of a half-dozen discounters that Maloney's battles; others include K mart, Heck's, Magic Mart, T.G. & Y. and A-Mart.

Maloney's mails circulars as its key advertising vehicle. Its promotions also cover the five scaled-down units in Inez, Prestonsburg, Olive Hill, Morehead and South Williamson, Ky. "The fashion apparel that is promoted is sent to the smaller stores for the ads, even though they don't usually carry this merchandise," the executive said.

In This Issue...

TIGHTEN UP. Sporting goods merchandisers are keeping a careful eye on inventories, and some chains are reducing sku's of fringe and high-ticket items as they plan ahead for fall. Accessories and football will be stable, but exercise and possibly soccer look like growth categories. (P. 20)

FRINGE BENEFITS. Strong showings by vitamins and other fringe H&BA items are balancing this year's smaller sales gains in skin and hair care products. Higher-ticket, higher-margin merchandise, including franchised cosmetics, continues to push up sales per square foot. Trial sizes could play a big role at many chains. DSN tells the whys and why nots. (P. 15)

PHOTO FOLLOW. Last month's photo show had few surprises for buyers. Buyers are looking harder at 35mm models with high-margin accessories as the pocket camera trend flattens. (P. 27)

GOING SOFT? Two more Sam Solomon showrooms will have leased ladies' wear sections by this summer. The Miami cataloger, the first to add soft lines, will offer Jordache, Beene, Calvin Klein and other designer lines. (P. 31)

WHY JUST MAKE DO? The latest DSN/Touche Ross Discounter Management Development Series installment gives five steps to an assortment plan that takes the guesswork out of merchandise buying. (P.13)

SPRING FLING. With planting time in the wings, discounters are using the hard sell for mowers and other lawn care equipment. Murphy's Mart, Woolco, Two Guys and Ayr-Way are some of the chains advertising big-ticket seasonal merchandise. (P. 19)

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Special Section

Health & Beauty Aids

Fringe-Classification Sales Maintain Dept. Growth

Special DSN H&BA Report

Strong sales gains in some fringe health-and-beauty-aid classifications have maintained department growth, while skin and hair care product sales have slowed to consolidate advances made last year.

Diet supplements and vitamins are getting more shelf space and square footage at many chains, and sunscreens and other suntan preparations are expected to repeat last year's success. But shampoo assortments are being trimmed, as consumers become more price- and brand-conscious, and lotions (which did not benefit from a wealth of new product introductions, as hair care did in 1979) were flat early in 1980.

T.G. & Y., Venture and S. E. Nichols are three chains where shampoo assortments have been trimmed, coming down from the wide assortments offered last year during the hair-care boom. An exception to this trend is in conditioning products, which have maintained their strength (but still get only about 50% of the market), and henna preparations, which many chains are experimenting with—some in bulk displays set in the aisles.

Gold Circle reports hair care "well ahead" of the rest of the department, but that may be because the chain benefited less than others from the surge in 1979.

Franchised cosmetics have also played a large role in building sales per square foot at many tradeup chains, and at some more traditional chains like Jamesway and Magic Mart.

Upscale displays of major brands like Max Factor, Revlon and Bonne Bell have produced good results for most of the tradeup chains, and have added their 40% margins to the generally improving gross margin results in H&BA.

Discount Store News research shows that H&BA departments have remained virtually the same size since 1974 (see chart, below), with a slight drop in average annual turns from 4.7 10 years ago to 4.3 in 1979. But inclusion of higher-ticket, higher-margin goods such as franchised cosmetics (as well as inflation) has pushed sales per square foot up 150% during the last decade, 5.5% in the last year, and helped boost the gross margin almost 10% at the same time.

Top-of-the-line imports like Chanel, Nina Ricci and Cardin remain unavailable to most discounters on a direct basis, and provide only a 20% margin when purchased through diverters.

The franchised cosmetics and fragrances vary in assortment according to season—Venture's assortment in upstairs fragrances jumps from 10-12 to 30 or more for Christmas, Father's Day and Mother's Day.

Discount retailers are wary of manufacturers making demands on them to carry the full line, and are cautious when the program is fixturized, forcing them to carry inventory that may not get the turns available when they cherrypick.

Cherrypicking the assortment, however, moves the discounter lower on the suppliers' priority list, and may make it difficult to obtain the best-selling goods. With some manufacturers (Revlon was cited by some), taking a fully fixturized merchandise assortment pays off, because it dresses up the department and "it all sells," according to a buyer at Venture.

Trial sizes will get a big play at many discount stores this summer, since so many are high-impulse seasonal lines. The fast turns and high gross margins available in trial-size products have not convinced all merchandisers to make a strong commitment, however—they cite the relatively high handling cost and low tickets. But other chains—S. E. Nichols, for example—are moving into permanent trial-size displays to create excitement and encourage exposure to new products.

Welcome to FedMart*
'America's Greatest
General Store
vitamins
oral hygiene

FedMart's Torrance, Calif., store includes this endcap and 8-ft. section for vitamins and diet supplements, a category with high growth potential. (DSN photo)

Ad/Promo Push, Burn Concerns Should Boost Sunscreen Sales

Nationwide DSN Report

Increased advertising and promotional support, and growing consumer awareness of the hazards of excessive exposure to the sun are expected to boost sales of sunscreens this spring and summer.

While screens have not formerly been strong H&BA sellers, because people wanted to get deep tans, increased consumer awareness is prompting many retailers to boost their assortment in the category.

Jamesway has increased its merchandising of the screening products. Venture recently experienced a 40% gain in sales, attributed, by a buyer for the chain, to stepped-up media promotions.

Regional factors and weather play a large role in determining a chain's sunscreen/tanning lotion mix, with Sunbelt and resort-area stores getting the lion's share of sales.

Basic mixes dominate the Northern and inland stores. T.G. & Y. and K mart, for example, place heavy emphasis on Coppertone (which one buyer estimated did 70% of T.G. & Y.'s business). K mart pushes private label goods mixed with major national brands.

The merchandise mix at S. E. Nichols is varied by region, with some boutique-style lines doing well in summer resort areas, but highly advertised national brands dominate chainwide.

as advertised
1.99
value priced
alo-sun 4-oz. sun block

This endcap at Bradlees' Chelsea, Mass., store demonstrates the emphasis placed on sunscreens, which are expected to do well again this year. (DSN photo)

In Last Five Years

Margins, Sales Per Sq. Ft. Rise Sharply

While health and beauty aids department sizes and turns have remained static, with little or no movement up or down from year to year, sales per square foot and margins have risen sharply.

The 50% gain in average sales per square foot since 1974, and the more recent 5.5% and 9.5% gains in sales per square foot and gross margins, respectively, show the impact of higher-ticket, higher-margin lines like franchised cosmetics that are becoming staples at tradeup chains including Venture, Gold Circle, Target and Bradlees.

Discounters are able to maintain department-store margins of 40% on such lines as Revlon, Max Factor and Bonne Bell, now purchased direct by most chains. The impact on sales per square foot and gross margins helps offset current stagnation and heightened price-consciousness in such basics as hair care and lotions.

	1970	1974	1975	1976	1977	1978	1979	10-year change	5-year change	'78 vs. '79
Dept. Size (sq. ft.)	2,000	2,243	2,243	2,227	2,227	2,235	2,235	+11.8%	– 0.4%	NC
Annual Turns	4.7	4.4	4.1	4.4	4.2	4.3	4.3	– 8.5%	– 2.3%	NC
Volume per sq. ft.	—	$128	$140	$152	$166	$182	$192	—	+50.0%	+5.5%
Initial Markup	28%	26%	26%	27%	26%	28%	29%	+ 3.6%	+11.5%	+3.6%
Gross Margin	24%	23%	21%	22%	21%	21%	23%	– 4.2%	NC	+ 9.5%
Company Run	82%	89%	89%	92%	93%	95%	95%	+15.9%	+ 6.7%	NC

NC—no change

Source: DSN research

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Specialty Chain Census: Pp. 7-20

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MAY 5, 1980

Sales Unaffected by Credit Crackdown . . . So Far

Nationwide DSN Report

More than a month after the Government announced its plan to start drawing shut the purse strings of the nation's overextended consumers with a series of credit controls, few discounters reported seeing any signs of a slowdown—either on staple goods or big-ticket merchandise.

Still, at presstime, the Crocker National Bank of San Francisco had already announced that it would raise its annual interest rates on consumer loans to as high as 24% and its finance charge on credit cards as high as 21%, after June 1. Bank of America, the country's largest bank, unveiled plans to ask cardholders for a $12 annual membership fee, effective June 5; and Citibank raised the cost to member merchants extending credit on its Visa cards and MasterCards from 4.3% to 5.3%.

All of that had discounters admitting they could be feeling the pinch by fall.

On another front, the Federal Reserve ruled March 14 that lenders must set aside 15% on outstanding balances of new credit excluding secured loans.

General Electric Credit Corp., which finances store credit cards for a number of discounters, including Zayre and Woolco, said that the 15% reserve requirement shouldn't be any problem for the next few months as receivables tend to decline during the summer.

Receivables should start to go above the March 14 base period in late summer and early fall, a spokesman said, and GECC was "working on plans to help ease the pain after stores reach the base period level."

But GECC, as the financial party, will be responsible for meeting the 15% requirement, discounters said. A Zayre executive noted that the financial company would have to consult

(Continued on page 4)

Consumer Financing, Surcharge Problems in Major Appliances

Nationwide DSN Report

The consumer credit crunch has created uncertainty in the major appliance market, but any downturn in sales isn't expected to become evident until the fall.

Two big problems face the handful of discounters (including K mart, Woolco, Nichols, Jefferson, Times Square Stores, FedMart and Zodys' lessee Wards) that carry major appliances. The concerns are (a) finding a credit source for customers who want to buy the high-ticket brown and white goods; and (b) paying the surcharge now being charged retailers by some consumer credit companies on time payment plans.

The Association of Home Appliance Manufacturers had forecast that manufacturers' shipments of all types of white goods this year would total 32.9 million units, down slightly from the 33.2 million shipped last year. An association executive said an updated forecast would be issued sometime this month.

The first quarter's actual results showed January shipments up 11%, February up 3% and March down 11%.

The executive said that the March decline could indicate some weakness but it was too early to tell because "it's not unusual to have month-to-month swings up or down."

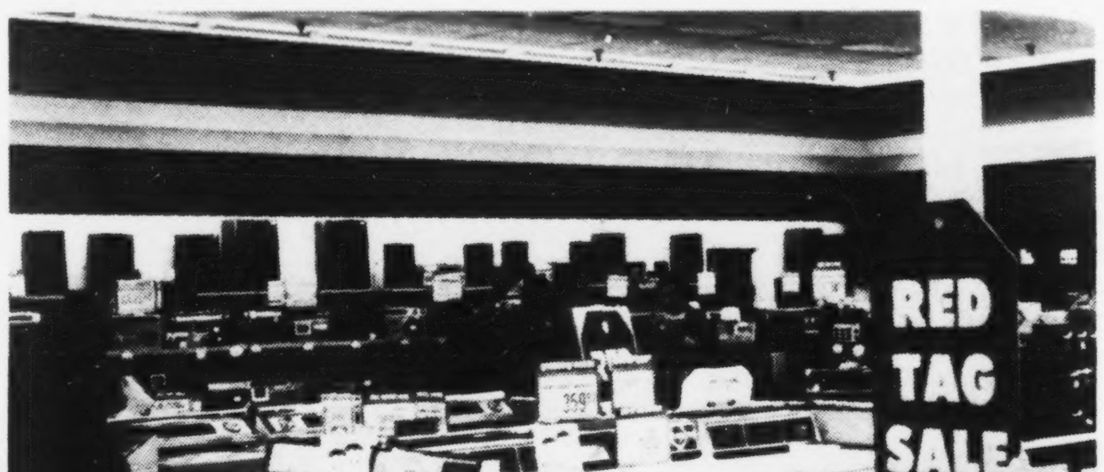
A FedMart executive noted that there hasn't been any falloff in sales. The credit crunch might help discounters, he added, as consumers could turn to discounters because they charge lower prices than other major appliance retailers.

A Times Square Stores executive added: "So far there hasn't been any signs of weakness in major appliance sales. As the cost of money goes up, however, you can expect a drop."

Any drop that does occur wouldn't become evident until around September, a Nichols executive said. "The spring and summer aren't the biggest seasons for major appliance sales," he explained, "and at this stage there haven't been any signs of a downturn."

Some K marts have had to find new credit sources for the time payment plans used by consumers because some finance companies have dropped financing of this type.

(Continued on page 27)



Zodys promoted major appliances as part of its grand reopening promotion last month for its Montebello, Calif., unit. Lessee Wards runs the department. (DSN photo)

27 Remain of 41 in '79

Gibson's Shutters 7 Company-run Stores

SEAGOVILLE, Tex.—In a move designed to help keep its remaining stores afloat, Gibson's is closing even more company-operated units.

The recent closings leave Gibson's with only 27 stores still owned and operated by headquarters (at midyear last year it owned and operated 41).

"This was done to reinforce our financial structure," said Art Scateni, vp of advertising and sales promotion. "These were marginal units. If you are not getting the turns on inventory dollars in an era of 20% money, you can't hold the marginal stores."

The closings will knock nearly $15 million from the company's volume, by DSN's estimate, pulling Gibson's sales from owned units well under $100 million a year.

(Gibson's also franchises its name to over 350 independent operators.)

Scateni said Gibson's "will put the money into the stores that are performing for us. This will help them and will aid our cash flow."

The stores being closed are in Fort Worth (three), Terrell and Greenville, Tex.; Longmont, Colo., and Rosewell, N.M.

Gibson's owns most of its store sites, and it will be the company's option to lease or sell the locations. Scateni emphasized that the closings were not part of a move to abandon discount retailing at Gibson's.

The necessary evil of closing stores is largely a result of stiff competition from K mart, Target and Wal-Mart, according to store managers and local observers.

Wal-Mart, particularly, often chooses sites across the street from Gibson's units and man-

(Continued on page 27)

Early Easter Hops Up Biz At Many Discount Chains

Nationwide DSN Report

Spring sales at many discount department store chains showed the impact of an early Easter selling season, with double-digit increases reported by Jamesway, K mart, Zayre, Gaylords, Caldor and Dayton Hudson's "low-margin" group: Target and Lechmere.

Venture's parent May Department Stores reported an 8.7% increase, with Venture recording a slightly larger gain of 9.3%. Woolworth's sales, which did not include the heavier volume days of Easter week, rose 7.4% over the same period last year.

(All figures are for the four- or five-week period ended in late March or early April.)

At G. C. Murphy, where the store count has dropped from 481 to 465 since last year, sales rose 3.9%. Vornado, where the store count has also dropped

(Continued on page 27)

Zayre Boosts Sherman, Hollis

FRAMINGHAM, Mass.—Malcolm Sherman, executive vice president and general merchandise manager, has been named executive vice president and general manager of Zayre stores.

Peter Hollis, vice president and senior merchandise manager, was appointed senior vice president and general merchandise manager.

Sherman, who will retain supervision of Zayre's merchandising, adds to his responsibilities the sales operations division of the company. The 48-year-old executive has been with the chain for 12 years, having first become a vice president in 1971 and serving as executive vice president since 1976.

Hollis, 36, will oversee the merchandising for Zayre's 254 stores, the Netco apparel buying subsidiary and Zayre Fabrics Inc. He has been with the company since 1969, becoming a vice president in 1976.

Malcolm Sherman
Promoted at Zayre.

Housewares: Discounters No. 1, Catalogers Gain

CHICAGO—Discounters are still No. 1 in housewares, while catalog showrooms and drug stores have increased their market shares.

Discounters accounted for 29% of manufacturers' total dollar sales to retailers in 1979, compared to 33% in 1978.

Catalogers had a 12% share and drug stores 10% in 1979, compared to 9% and 5%, respectively, in 1978.

Those were among the findings of the 13th annual National Housewares Manufacturers Association industry survey.

The discounters' share didn't include purchases from wholesalers such as housewares/hardware distributors, so that the total amount of housewares sold by discount stores was much higher than the 29% share reported in the survey.

Retailers, overall, accounted for 74% of manufacturers' sales, up three percentage points from the 71% share reported in last year's survey.

The wholesalers' share fell to 26% from 29%, reflecting the growing trend of discounters and other retailers to buy direct as much as possible, especially on nonelectrics.

The survey listed housewares manufacturers' sales in 1979 at $15,579,000,000, up 15.6% from $13,479,000,000.

Retailers' share in dollars amounted to $11,528,460,000, up 20.5% from $9,570,090,000.

The wholesalers' dollar volume was $4,050,774,000, up a slight 3.6% from $3,908,910,000.

(Continued on page 22)

Specialty Chain Census

A Stronger Force

Specialty chains are becoming a stronger force in the hard lines marketplace.

Lower operating costs because of the generally smaller stores, less frequent stock-outs because of the depth of merchandise, and fewer customers taking a walk because of the wide assortment add up to very tough competition in toys, automotive, sporting goods, H&BA and consumer electronics.

DSN's analysis of each specialty category charts the leading chains in each case, and details expansion plans·

Toys
TOYS R US
TOYS R US

High-Flying Toys 'R' Us Is Wary of Petrie Takeover

SADDLE BROOK, N.J.—Toys 'R' Us remains the undisputed king of the specialty toy retailers, yet its outstanding success is also the source of worry—of a possible takeover by the women's apparel specialty retailer Petrie Stores.

The Secaucus, N.J.-based Petrie began to acquire Toys 'R' Us stock at the end of 1978 and continued throughout last year. Petrie now owns 23% of the outstanding stock, amounting to 2.03 million shares.

Petrie's interest in the toy chain is understandable; from 1974 to the present, Toys 'R' Us has recorded an average compound annual growth rate in excess of 25%. Last year, the chain's sales volume was $480 million, an amazing 37.5% increase from the year-before volume of $349 million.

Toys 'R' Us chairman and founder Charles Lazarus, who has been opposed to takeover in the past, has an escape clause in his contract, as do three other senior members of the chain's management.

This clause states that Lazarus can terminate his employment contract six months after any buyer acquires 30% or more of Toys 'R' Us stock. If (and only if) he exercises his option, the other management members with similar clauses may also exercise their option. All would be eligible for a year's compensation after their termination with the company.

It is still possible that Petrie wants the stock for investment purposes only. Securities analysts at

(Continued on page 8)

Consumer Electronics
Radio Shack

Computer Outlets Spark Radio Shack Sales to $1.2B

FORT WORTH—Radio Shack, leader in its specialty field, is on an upswing with no downturn in sight. And when it comes to consumer electronics, president Lewis Kornfeld does not think discounters can jump on the success bandwagon.

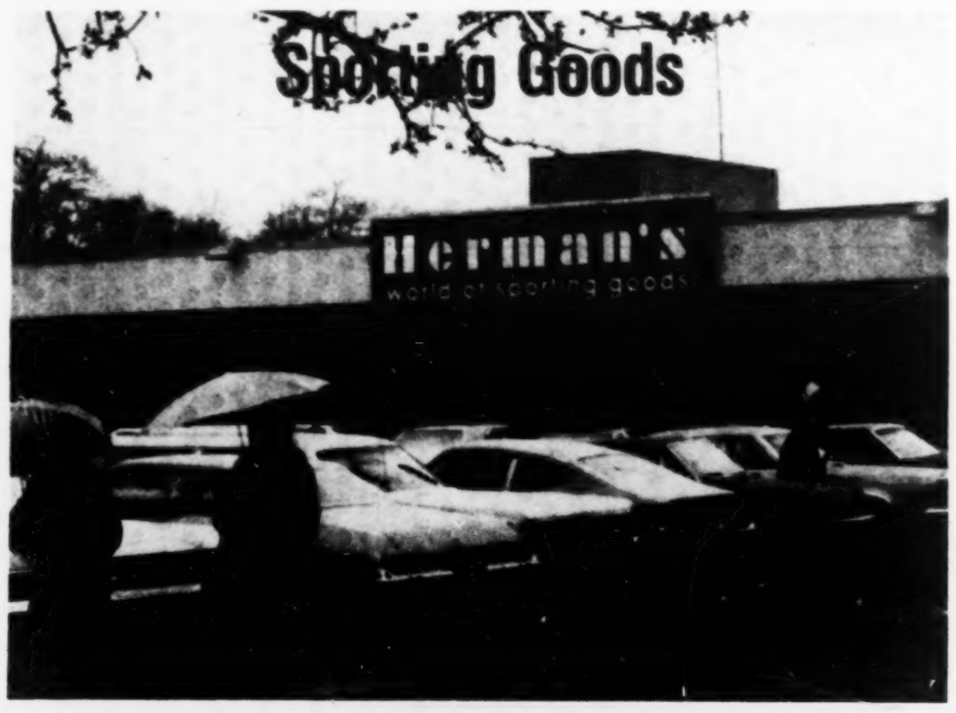
The company's growth—reflected in a 12% increase in sales in 1979 to $1.2 billion, and an 18% increase in this year's fiscal third quarter to $739 million—has come from its new computer-oriented outlets. These centers offer Radio Shack computer systems to businessmen. Kornfeld said the trained sales and service personnel, which he calls the keys to consumer electronics sales, are an advantage unique to specialty chains like Radio Shack, and not offered to discounters.

Not unique are the financial worries that come with paying for high-ticket inventory in these inflationary times. Kornfeld said borrowing money at 20% to purchase inventory is now one of the company's major concerns.

Earlier in its history, Radio Shack financed expansion through franchising arrangements. More recently, however, it found them largely unprofitable. It hasn't granted one in eight years.

"Franchises, which for us first looked like a relatively low-cost way to grow, looked later like an inhibitor, policywise," Kornfeld said. "We haven't tried to cut them out; we offered them a different arrangement. The hard core [1.8%] stayed."

(Continued on page 9)



Herman's Slows Expansion as Mild Winter Trims Sales

CARTERET, N.J.—Herman's, still the largest sporting goods specialty retailer in the country by volume, is slowing down its expansion rate of the previous two years for 1980.

After adding a dozen stores two years ago and 19 last year, Herman's plans to open only six this year. The lower expansion rate will place less of a strain on Herman's cash flow.

The slowdown in expansion plans accompanies a slowdown in the growth rate of sales. While the store base increased 28% during the last year at Herman's, sales were up only 14%.

Sales at the 88-unit division of W. R. Grace, a New York-based conglomerate, were $195 million last year. Year-before sales at Herman's were $171 million.

W. R. Grace chairman Felix Larkin admitted in a report to shareholders that "Herman's had a difficult year as mild winter weather and gasoline shortages plus the cost of store openings adversely affected sales and profit performance."

While the openings last year included entry into Pittsburgh and Columbus, Ohio, markets, Herman's will reportedly focus on ski markets in its Northeast stronghold for future units.

Management at the chain said that sales of cross-country ski gear were particularly strong in 1979. Other outstanding categories for the chain were racquetball equipment, rugged outerwear and roller

(Continued on page 10)

Automotive
WESTERN AUTO

Western Auto Does $698M Despite 450 Closings

KANSAS CITY, Mo.—Western Auto, the giant specialty chain, continued to close stores in 1979, finishing the year with 3,450 outlets, down from more than 3,900 the year before. The chains will close an additional 50 units by the end of this year.

In sales, however, this subsidiary of Beneficial Management Services continued to lead the field with $698.1 million reported for fiscal 1979.

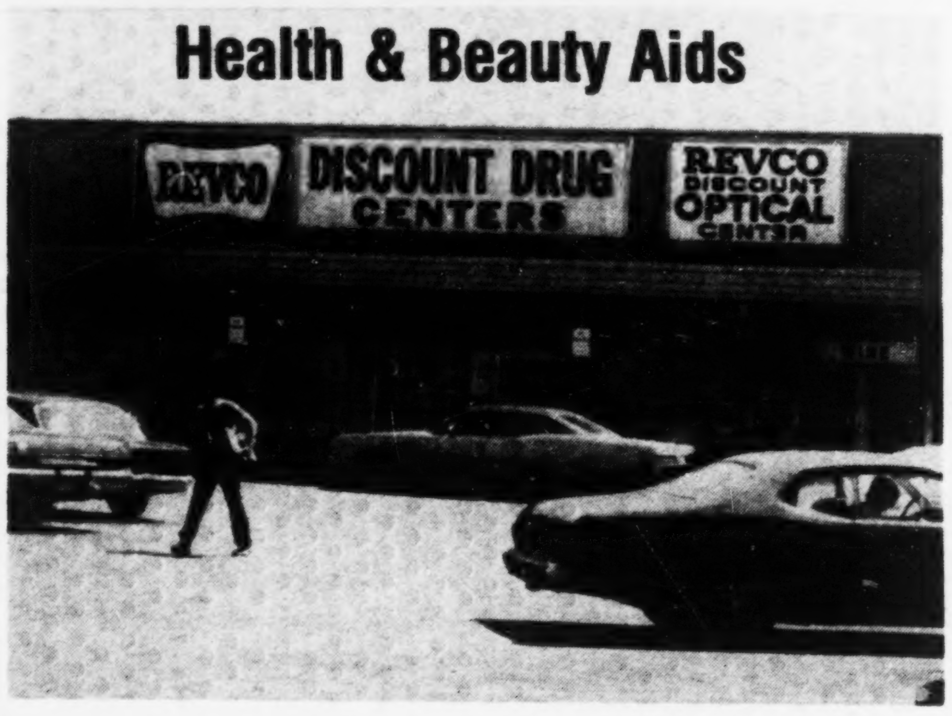
Still, "we're pessimistic about 1980," reported Ken Brown, controller. "We're located predominantly in rural markets and our farmer customers are really feeling the pressure of the high interest rates."

Only 300 of the chain's stores are located in major market sites.

"We are not willing to make a capital investment in new stores at this time," Brown said, adding that the store closings represent chain efforts to streamline itself and improve sales performance.

Adding to the company's pessimism is its dependence on installed sales for a considerable portion of its volume.

We rely too heavily on installation services to be buoyed by the news that most auto chains prosper in recessionary times when more consumers do repair projects themselves, Brown said. Even worse, the chain's profitability also relies heavily on big-ticket sales (appliances, TV's). Brown declined to comment on what percentage of sales came from those items.



H&BA Discounting to Boost Revco Volume Over $1B

TWINSBURG, Ohio—Revco is set to become the first discount drug specialty chain to break the $1 billion volume mark by doing what it does best: discounting health and beauty aids.

The company is projected to generate $1,050,000,000 in sales in its current fiscal year, a 13.2% jump from the $927,533,000 reported for the fiscal year ended June 2, 1979.

That volume was a 17.1% increase from the previous fiscal year's $792,033,000. Net income registered a slightly smaller 14.5% boost, going to $33,636,000 from $29,376,000.

Revco's percentage gains in sales and earnings outpaced the percentage increase in stores during the two fiscal years; the count went to 1,143 from 1,030, an 11% increase.

The chain, besides aiming for a new sales plateau this year, is continuing the fast-paced expansion that saw it open the doors of about two new stores a week.

The store expansion program calls for Revco to unveil 80 new units during the last half of the year to maintain its status as the discount drug chain with the greatest number of units.

The 1,250 units in operation at the start of May 1980 include about 40 stores opened so far this year.

Revco, which has stores in 24 states and has focused heavily on markets east of the Mississippi River in past years, will emphasize Sunbelt areas this year.

(Continued on page 20)

Child World Invades Chicago, Minneapolis; Ups Store Count to 66

11 Toy Chains Add 69 Units in Year, Plan Over 51 More by End of '80

Chain	No. of Units May '79	 May '80	 Dec. '80	Sales in Millions* Last fiscal year
Toys 'R' Us	72	85	100	$480.3
Child World	60	66	70-72	158.4
Lionel Leisure	45	65	75	156.0
Circus World	87	111	120	63.0
Toy City	13	16	18	37.0
Toy World	40	45	51	24.8
TSW	10	10	11	11.0
Hobby Center	20	21	23-24	8.4
Play World	15	12	13-14	N/A
Playhouse	16	14	N/A	N/A
Toyco	10	12	13	6.2

** Some volume figures are DSN estimates*

N/A—not available

Eleven top toy specialty chains added 69 units since last year and have over 51 more scheduled by the end of this year. Circus World is the leader in store units, although the small stores give the chain less volume than leader Toys 'R' Us. (DSN research)

AVON, Mass.—Child World, experiencing significant growth in its Children's Palace chain in the Midwest, has increased store count 10% from last year to 66 units.

"Most of our growth is coming from the Midwest," Child World's executive vp of operations Bruno Ferretti told DSN. "We are not sure how many units we will be adding during the remainder of this year, but it will probably be between four and six, and in existing markets."

Child World broke into the Chicago and Minneapolis markets this past year, with prototype stores of 36,000 sq. ft. (The company uses the Children's Palace name in the Midwest.)

The chain also added to existing markets in the Northeast, with stores in Levittown and Selden, Long Island; Danvers, Mass., and Rockaway, N.J.

Child World has been building its large stores as free-standing units, but management likes the space, because "we have enough room in our stores to do what we want," Ferretti said.

Although the net gain in store units has been six, Child World has been building at a faster rate because of store closings. Ferretti said the chain is continuing to close old stores "that are small and do not conform to our present prototype size."

Electronic games have not cut into other merchandise in terms of space investment, Ferretti said, because of the large store size.

Volume for the latest fiscal year at Child World was $158.4 million, a 13% increase over the previous year's $139.8 million. Ferretti was reluctant to make any projection of this year's volume.

Wary of Petrie Takeover

(Continued from page 7)

Merrill Lynch said they "believe that Petrie's ownership is not a reason . . . to be less optimistic about the growth possibilities of Toys 'R' Us." The analysts believe Toys 'R' Us's earnings will rise by at least 20% a year over the next three to five years, in part because of the chain's store expansion program and visible opportunities to gain market share in a highly fragmented industry.

Lazarus said the strong results reflect the company's ability to increase its market share. The chain added 13 stores in 1979, boosting its count to 85.

This year, the chain hopes to add 15 stores, including a new market area for it in the Pacific Northwest. A company spokesman said that Toys 'R' Us will open in Seattle and Portland, Ore., area this fall. The chain will start off with four stores, plus a distribution center to service them.

Since last year the toy chain has also opened in Texas and Oklahoma, with one store in Oklahoma City and four stores in the Dallas-Fort Worth area. Toys 'R' Us also opened a distribution center in Dallas to support the stores.

Lazarus told securities analysts that the chain has targeted a 25% annual growth rate and plans to enter a new market every year.

Lazarus said future plans include an entry in the Philadelphia metropolitan market in the fall of 1981.

Although Toys 'R' Us has actually fallen behind Circus World in number of store units, its large stores keep its volume far ahead of the 3,500-sq.-ft. Circus Worlds.

Lionel Leisure Crashes Southwest With Fun City Buy

PHILADELPHIA—Lionel Leisure's recent deal to acquire nine Fun City stores as its debut in the Southwest helped boost store count at the acquisition-minded chain 44% above last year's 45.

For an undisclosed amount of cash and notes, Lionel Leisure took over nine stores from the THH corporation, a privately owned retail and wholesale toy company.

The stores, now operating for Lionel Leisure under the Fun City banner, are in Houston, San Antonio, Austin, Lubbock and Amarillo, Tex.

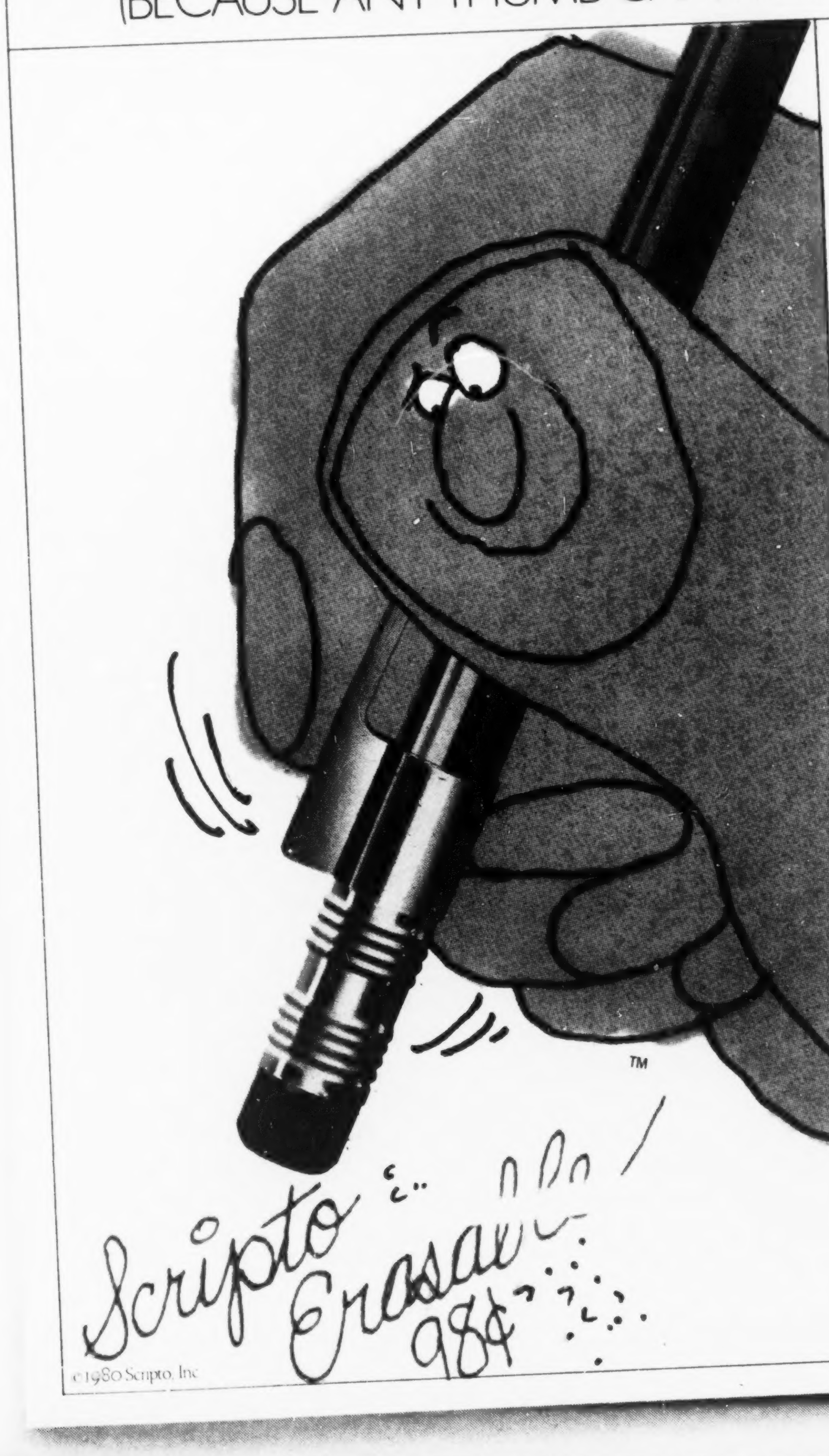
A spokesman at Lionel Leisure said the company is "very excited about moving into the Southwest."

"We have done studies that show there will not be much difference in merchandising, so we don't anticipate any problem there. However, you learn by operating."

The spokesman said the Fun City name will probably be changed by fall (Lionel Leisure operates its stores under the titles Kiddie City, Playworld and Lionel Toy Warehouse).

The Fun City stores are

(Continued on page 12)



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Specialty Chain Census | Consumer Electronics

Lafayette Reorganizing on 8-Unit Core

SYOSSET, N.Y.—Lafayette, the specialty electronics chain now in Chapter XI after a three-year struggle to return to profitable operations, was liquidating 60 more store units at presstime. This comes on the heels of the liquidation of 30-odd stores in Atlanta, St. Louis, Chicago and other markets.

The former giant is reorganizing around a core of eight stores, all in the New York City area, and a new merchandising concept.

Last year, with 126 units, it was the No. 2 consumer electronics chain, just behind the now billion-dollar Radio Shack, a division of Tandy Corp.

Under its Chapter XI reorganization, Lafayette projects first-year sales of $11.5 million.

In addition to closing stores, laying off 439 of 489 employees at corporate headquarters here and discontinuing the Lafayette catalog, the chain is:

- Revamping the mix to include 85% brand name merchandise;
- Continuing to maintain 50% of its overall sku's in audio, and adding home entertainment and small business computers.

"We have a concept of merchandising that I think is unique," said Alan Selby, vice president of merchandising, but would not elaborate. Part of the concept includes expansion to two new product areas: a small, hobby-type computer that retails under $600 and a more sophisticated computer, retailing between $3,000 and $6,000, for small businessmen.

Selby said the computer business would probably represent about 5% of the firm's volume in the first year.

By maintaining 50-50 sku's in audio and computer equipment, Selby said Lafayette seeks a business-like image that will still appeal to audio customers.

Although Selby believes the average customer will probably change, he said that because of the mix, customers who have supported the stores in the last 60 years will be as important as ever.

"The new customer will be represented by the small computer, where the average ticket will be higher than the average ticket in audio," he said.

Radio Shack Still Runaway Leader While Lafayette Is Down, Not Out

Chains	No. of Units			Sales in Millions	
	May '79	May '80	Dec. '80	Last fiscal year	Current fiscal year
Radio Shack	5,890(A)	6,045(B)	6,245	$1,200*	$1,392
Team	113	115	125	53	55
CMC	55	58	62	50	N/A
Kelley & Cohen	43	43	45	61.6*	N/A
Sam Goody	28	29	32	67*	N/A
Newmark & Lewis	17	17	N/A	30*	N/A
Atlantis Sound	17	11	N/A	N/A	N/A
Pacific Stereo	93	99	110	N/A	N/A
Lafayette	116	8**	8**	N/A**	11.5**
Tokyo Shapiro	8	9	12	8.4	10

(A) includes 3,630 company-owned, 120 franchised and 2,140 dealer units.
(B) includes 3,821 company-owned, 107 franchised and 2,117 dealer units.
*** Lafayette filed Chapter XI and reorganized around a total of eight units.*
** DSN estimates*
N/A—not available

Radio Shack remains the No. 1 consumer electronics specialty chain in both volume and units. Lafayette drops down but not out under Chapter XI, with Team Electronics ranking second in units. (DSN research)

Kelley & Cohen: Computers in 1-2 Yrs.

PITTSBURGH—Computer products have caught the fancy of consumers and retailers alike.

Still, at Kelley & Cohen, company president Edward Seymour said the chain now handles "everything but."

So far.

"More than likely, we'll be into computers in a year or two," he said. But, he added, "Right now, computers are not for everyone because of the programming requirements."

However, as programs become available—from sources like GTE, for example—people will be able to plug their tax-return problems into home computers instead of programming the material themselves. Seymour believes computers will then have greater potential for mass merchandising.

In addition, the availability of programs could reduce the need for trained sales personnel, presently a disadvantage for self-service stores like discounters.

Already three of Kelley & Cohen's 43 stores are geared for

(Continued on page 11)

Radio Shack

(Continued from page 7)

The company, which now has 6,045 units, plans to open 200 new stores in 1980.

Among them will be more computer centers. The chain opened four more than the 50 originally planned for the store's top 50 metropolitan markets in 1979.

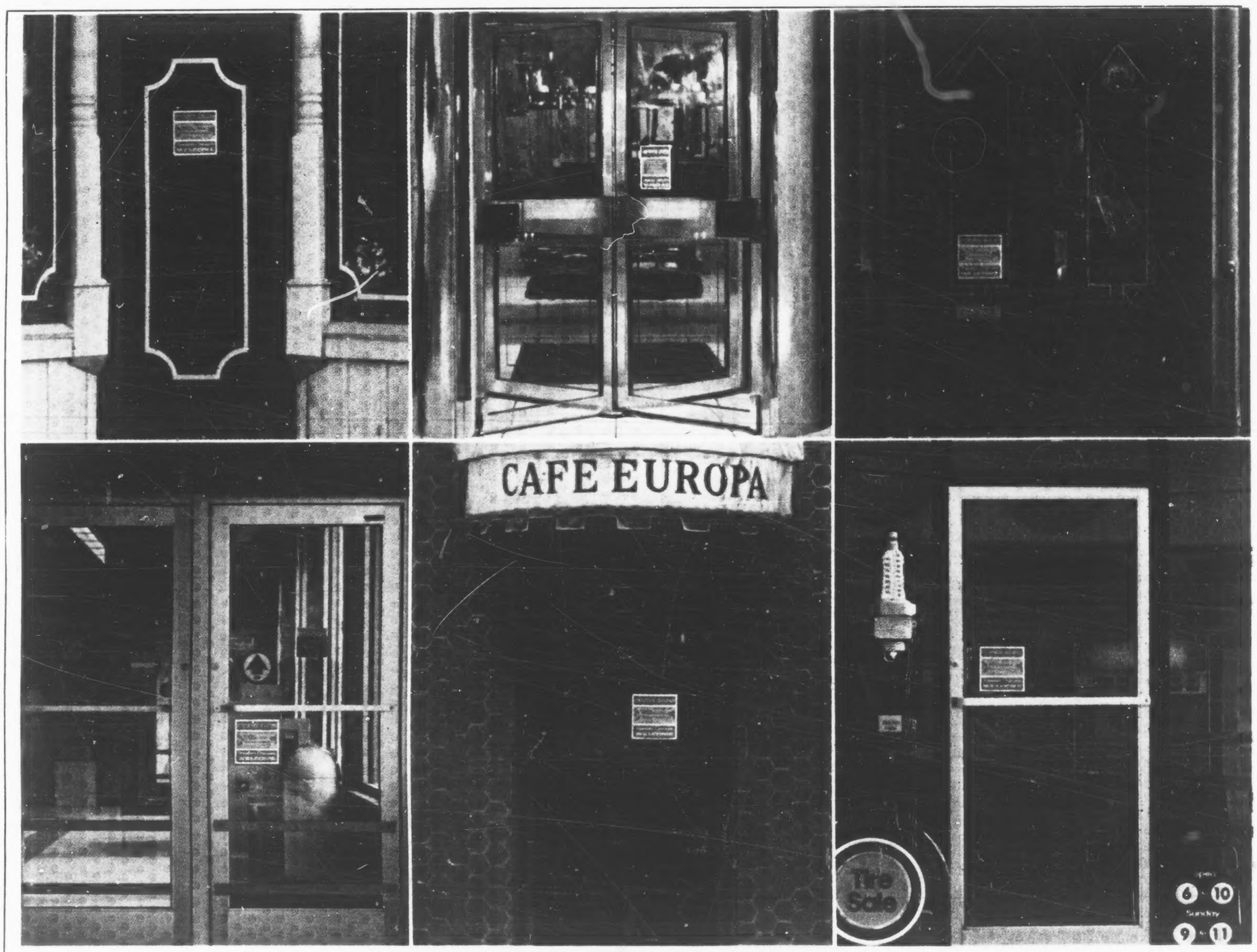
To reach smaller markets Radio Shack will add mini-computer centers in the leading stores in each of its 150 secondary districts. Already, 107 such in-store operations have opened.

Four or five clerks must be on hand in each center to answer questions and teach customers about the systems. Kornfeld said such service is not required for stores not carrying business computers.

The TRS-80, which outmoded last year's $10,000 Tandy-10 business unit, is an example of the "serious" equipment Kornfeld describes as the stock in trade of specialty stores. Retails are $499-$4,500 for Model 1, and $4,500-$9,000 for Model 2.

Companion sales of software and peripheral accessories for the systems, however, are down somewhat from last year while Radio Shack flushes out the line to make room for upcoming models which, in turn, could outmode the TRS-80.

"We are going to have very significant new hardware product announcements between June and September 1980," Kornfeld said.



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Specialty Chain Census | Sporting Goods

Herman's Leads Chains in Volume; Oshman's Is Tops in Store Count

Chain	No. of Units May 1979	No. of Units May 1980	No. of Units Dec. 1980	Sales in Millions last fiscal year
Herman's	69	88	94	$195.0
Oshman's	87	91	98-99	135.0
Zale	32	37	38	N/A
Big 5	52	N/A	N/A	N/A
Sunset Sports	26	29	33	49.0*
Morsan	8	8	9	20.0
Dave Cook	12	13	13	N/A
Gart Brothers	11	10	12-13	19.2*
Michigan	13	10	12	18.0*
Brendamour's	10	11	12	7.2*
Casey's	6	6	7-8	6.9*
Colman	4	4	4	N/A
Hollywood Sports Plaza	4	4	5	3.1*

N/A—not available

**DSN estimate*

Herman's and Oshman's remain the top sporting goods specialty retailers in the country. Though Herman's remains tops in volume, its rapid expansion will slow this year and Oshman's remains the largest chain in the country by number of units. (DSN research)

Herman's Slows Growth

(Continued from page 7)

skates.

Merchandising strategy at the chain has taken a decided turn toward athletic sportswear, in an attempt to increase profitability per sales dollar.

Herman's has the space to devote to soft goods, with stores commonly 12,000 sq. ft. to 20,000 sq. ft., unlike many smaller specialists. (Approximately half the chain's stores are freestanding and half are in malls.)

The soft goods push is targeted more specifically to women, in an attempt to draw female traffic into the stores. To help in the soft goods presentation, the chain has been hiring managers with expertise in the area as well as purchasing soft goods that coordinate more closely with the hard goods stock.

Future merchandising plans call for trade-up equipment (cashing in on higher price points) to follow the trend. Only time will tell whether Herman's is able to continue its historical growth rates.

(For the last five years, Herman's sales volume has averaged a growth rate of 16.2%, while the growth rate in store units has averaged 13.5%.)

Oshman's Revives AF, Picks Dallas For Second Unit

HOUSTON—In a year of healthy sales increases and modest expansion in store numbers, Oshman's caught the eye of sporting goods shoppers by bringing back the Abercrombie & Fitch name.

Oshman's opened a 16,000-sq.-ft. Abercrombie & Fitch unit in Beverly Hills, Calif., last year, and plans to open a 26,000-sq.-ft. store in Dallas.

"We do have expansion in mind," Oshman's president Marvin Aronowitz told DSN, "but the Abercrombie & Fitch stores are not stamped out by cookie cutters. Obviously, we will not expand them at the same rate as the Oshman's stores."

Despite the high-ticket glitter at Abercrombie & Fitch, the company's volume still comes primarily from its typical 11,000-sq.-ft. Oshman's stores.

With four more units than last year, Oshman's 91 stores have kept it the largest sporting goods chain in the country by store number, despite a 19-store building spree by Herman's last year.

Aronowitz said the new stores this year will be in new and existing markets. Texas and California are likely sites for the bulk of new stores, while Florida is also in Oshman's expansion plans.

The chain, which had been in the northern Florida market before, opened in Miami at the end of March. Aronowitz said: "We are looking at Fort Lauderdale, although nothing has been signed yet there."

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Sales Rise 17% to $182 Million

Remodeling Helps Doll Up Pep Boys' Biz

PHILADELPHIA—Pep Boys, the second-ranked specialty automotive chain, closed fiscal 1979 (ended Jan. 31, 1980) with $181.9 million in sales, a 17% increase over the previous year's volume.

According to a chain spokesman, management credits remodeling and remerchandising efforts with much of the boost in sales. Last year, he noted, the chain remodeled, and in some cases enlarged, 20 outlets—most of which were located in the older East Coast markets where the chain got its start 55 years ago.

In addition, the chain has been expanding its parts mix and improving the self-service features of its sales floor accessories department.

"We've expanded our sales floor space wherever we could," a spokesman said, "to support our move to add new lines, particularly in hard parts." The new lines, he said, were not first-time entries, but rather were trade-up lines in existing categories. A midprice carburetor, he reported, was one example of a product recently added to the parts department.

The chain currently carries more than 9,000 sku's of auto parts, he noted, adding: "The auto aftermarket is our business."

The chain will also continue to upgrade stores, particularly on the East Coast, where store sizes vary from 5,000 to 20,000 sq. ft., to try to achieve some uniformity, he said.

Auto Chain Execs Are Conservative In Projecting Sales For Fiscal '80

	No. of Units			Sales (Millions)	
	May '79	May '80	Dec. '80	fiscal 1979	fiscal 1980
Western	3,927	3,450	3,400	$698.1	N/A
Pep	101	101	103	181.9	N/A
Grand	65	69	79	92.7	$100.0
Empire-Crown	50	52	53	25.3	N/A
Guarantee	33	41	43	20.0	24.0
Whitlock	47	56	58	30.0	N/A
Fleenors	52	46	46	16.5	N/A
Schucks	44	46	N/A	N/A	N/A
Hi-Gear	39	42	43	12.9	N/A
Aid	70	73	76	12.9	14.0
Rose	23	25	N/A	6.9	7.6
Save	16	16	18	5.6	6.3
Giant	4	4	4	1.5	1.8

**DSN estimate* *N/A-not available*

On the whole, auto chain execs are making conservative projections for sales in 1980 as the economy continues to turn down. At least one chain, top-ranked Western Auto, had a year of desultory sales (and nearly 500 store closings), ringing up $698 million. Second-ranked Pep Boys, however, the Philadelphia-based chain, saw sales grow by 17% last year. (DSN research)

Cost of Money Makes Empire-Crown 'Very Cautious' on Building Inventories

EDEN PRAIRIE, Minn.—Empire-Crown, discount store lessee and specialty outlet chain, has been growing steadily in the five years since its takeover of Crown Auto in 1975, and last year was no exception.

Sales for the then 50-unit chain topped $25 million in fiscal 1979, ended Dec. 31, up from $23 million the year before. The chain currently operates 52 stores and 14 leased departments in Wisconsin and Minnesota.

"We're saying we're recession proof," said Richard Roderick, vice president of finance, "but with the cost of money so high we're really going to be very cautious—particularly about building inventory." Roderick did say, however, that the chain may expand its hard parts mix slightly.

The current prototype for its stores is 7,000 sq. ft. of which 3,000 sq. ft. is sales space. The rest of the space is given over to service bays.

Nationally branded products tend to be the rule in both the company's leased departments and freestanding specialty outlets. The closest equivalent to private label products is the company's inventory of tires and batteries.

Empire-Crown is one specialty chain that could not survive on DIY business alone, however. According to a company spokesman, nearly half of the company's sales come from leased departments where the bulk of sales are derived from installation and service fees.

The company operates nine leased departments in Zayre stores, three in Prange-Way, and two in Holiday Village.

Kelley & Cohen

(Continued from page 9)

future computer sales.

At 8,500 sq. ft. those three new "superstores" are almost double the size of the old prototype to allow for the expansion Seymour projects.

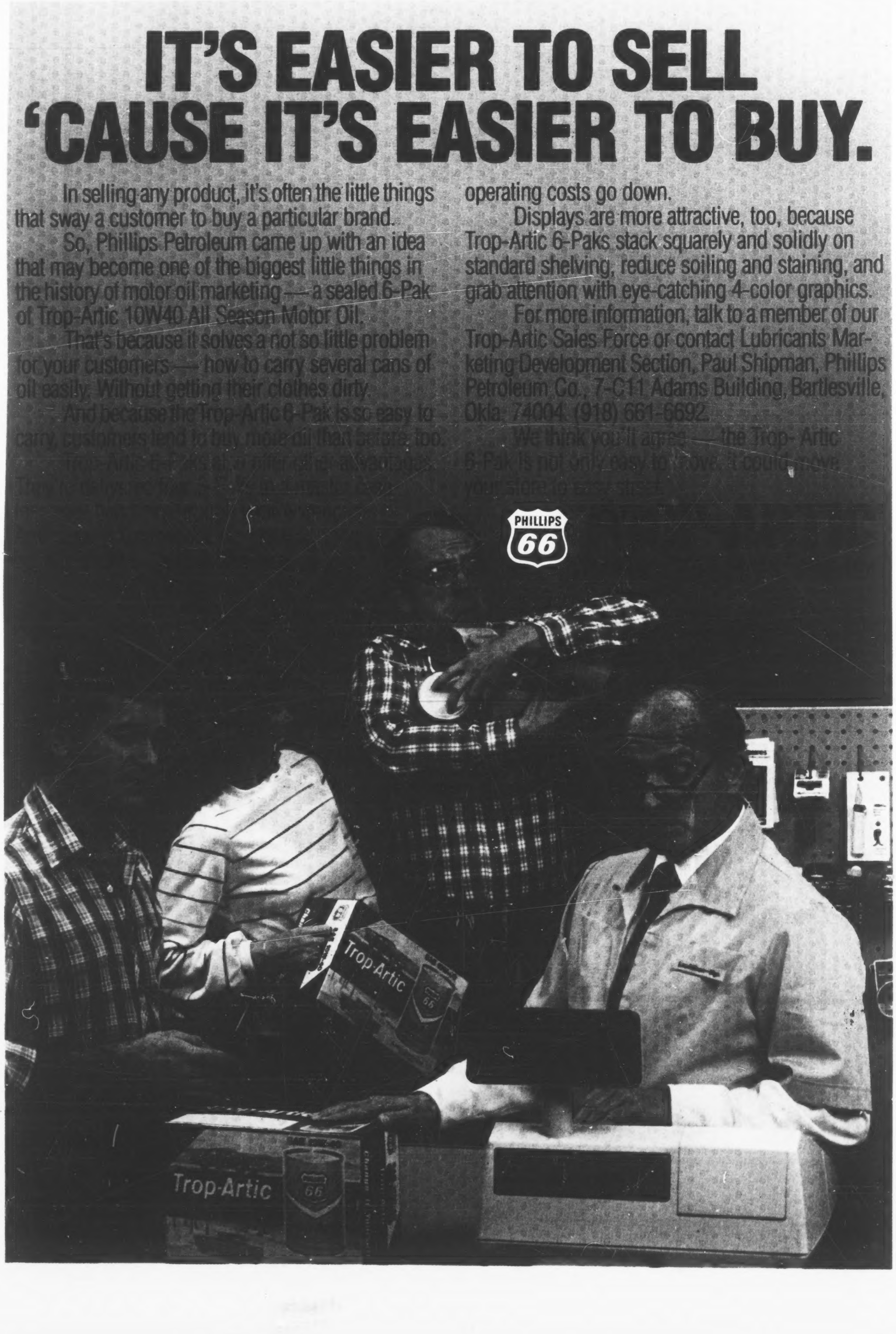
Kelley & Cohen, whose mix includes electronic toys, widescreen TVs and videocassette recorders, will eventually add personalized home computers and small business units.

With low margins on computer stock, step-by-step development makes sense for some chains. Margins on audio equipment, for instance, are triple those of computer lines, a prime consideration for recession-leery retailers.

At the same time, Jim Sachs, vp marketing, said consumer demand for computers justifies the industry's expansion.

May Openings Set For 2 Fla. Masters

SARASOTA, Fla.—Masters Merchandise Mart is set to open two Florida showrooms in May, a 22,000-sq.-ft. unit in the Cortez Plaza in Bradenton, and a 15,000-sq.-ft. store in Spring Hill.



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Specialty Chain Census | Sporting Goods | Toys

New Owner Ups Sunset's Expansion Plan

SALT LAKE CITY—The acquisition of Sunset Sports last year by Memphis-based food wholesaler Malone & Hyde may be symbolic of the growing interest in specialty retailing.

Sunset Sports was the largest privately owned sporting goods chain operating last year, and its new owners have stepped up expansion plans. Although the 29-unit chain had been maintaining a two-store-per-year growth rate, it added three stores last year and plans to add four this year.

Jack Spitzer, general manager of the chain before the Malone & Hyde purchase, was named president after the acquisition.

Sunset entered new markets with each of its additional stores last year, in Moscow and Lewiston, Idaho, as well as Pullman, Wash.

Sunset will enter the new markets of Spokane and Kennewick, Wash.

The sporting goods specialist will also increase its holdings in two of its present markets with a 14,000-sq.-ft. store to be built in Salt Lake City and a 12,000-sq.-ft. unit slated for Phoenix.

"We don't have a standard prototype that we build on," said Spitzer, "because we tailor each store to the market. In the larger stores, we go into slightly more breadth in the lines."

Sunset's stores, which are built as freestanding units and not as mall stores, are 12,000-24,000 sq. ft.

Hear Flat Sales Slow Zale Growth

DALLAS—Zale Corporation's sporting goods division, reportedly experiencing disappointing sales, has slowed growth plans for 1980.

After opening five new units in its last fiscal year, Zale plans only one additional sporting goods store this year, according to a company spokesman.

The five additions, all in existing markets for Zale, were in Phoenix, New Orleans, Dallas, San Antonio and Austin, Tex. They brought Zale's total to 37 sporting goods stores.

However, reports last year by analysts at securities firm Merrill Lynch cited continuing poor performance in the sporting goods division at Zale, with sales flat compared to year-before figures, and even a 4% decline in store-for-store sales at midyear although this reportedly improved later in the year.

Play World Studies Rebuilding Under Singer; Three Units Shut

FARMINGDALE, N.Y.—It has been a year of changes at Play World, including the closing of three stores and the installation of a new president, and the toy specialist is looking to rebuild.

The Long Island chain is down to a dozen units from 15 last year, but is currently choosing sites for one or possibly two more units, according to a spokesman at the company.

(Play World's Elmont store was destroyed by fire, while the Smithtown and Massapequa stores were shuttered.)

Play World's parent company Greenman Brothers announced midway through last year that it was beginning "an aggressive rebuilding program," and it imported Carey Singer as the chain's new president.

After hiring Singer, the parent company said it would make a greater investment in inventory for its Play World stores. Another move begun in merchandising at the chain was to phase out housewares from the merchandise mix. Housewares had been included in the stores' stock because it appealed to the primarily female customer and because it was seen as a possible way to attract traffic in the off season for toys.

"We found that phasing out the housewares and installing more toy product has helped our return," Singer told DSN. "We lost a little counterseasonal business, but we more than made it up on our return by going with the toys."

Play World, which also operates leased toy departments in six Modell's stores, has phased housewares out of all locations but two.

Circus World, Tops in Units, Unwraps 23

TAYLOR, Mich.—Circus World's ambitious expansion program has led to an increase of 23 units since last year, making it the largest toy specialty retailer by store number.

The 111-unit chain, which will reach 120 stores by December, according to a company spokesman, is still smaller than Toys 'R' Us and Child World in selling space, however.

Stores are all in mall locations and the prototype size is 3,500 sq. ft. New markets broken into last year include Waco, Lufkin and Midland, Tex.; Port Richey and St. Augustine, Fla.

Future expansion includes Midwest locations in existing markets, but concentration will primarily be in the Sunbelt.

Lionel Leisure

(Continued from page 8)

33,000-35,000 sq. ft., which is in line with Lionel Leisure's typical 30,000-sq.-ft. size.

Lionel Leisure also operates in Pennsylvania, Florida, New Jersey, Maryland, Ohio, Georgia, New York and North Carolina. The company plans to add 10 more new stores during the remainder of 1980, bringing its total to 75 units from the current 65. Management at Lionel Leisure would not disclose the sites of future construction.

Holdings in the Philadelphia area have been bolstered since last year, both by acquisition and construction. The most notable jump in store numbers was the acquisition last year of Philadelphia-based Playtown.

Lionel Leisure had been growing by eight stores a year, on average. A company spokesman said the firm has embarked upon an expansion program in its toy stores. (The company's other divisions manufacture electronic components and industrial equipment.) The jump to the Southwest from its Eastern Seaboard stronghold may signal an impending push by the special retailer in the Sunbelt.

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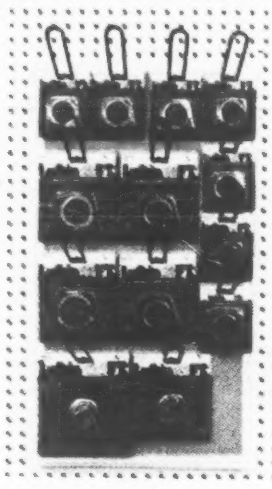

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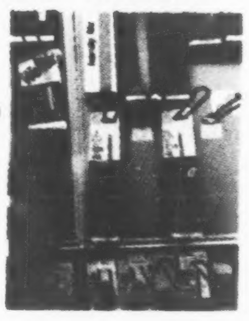

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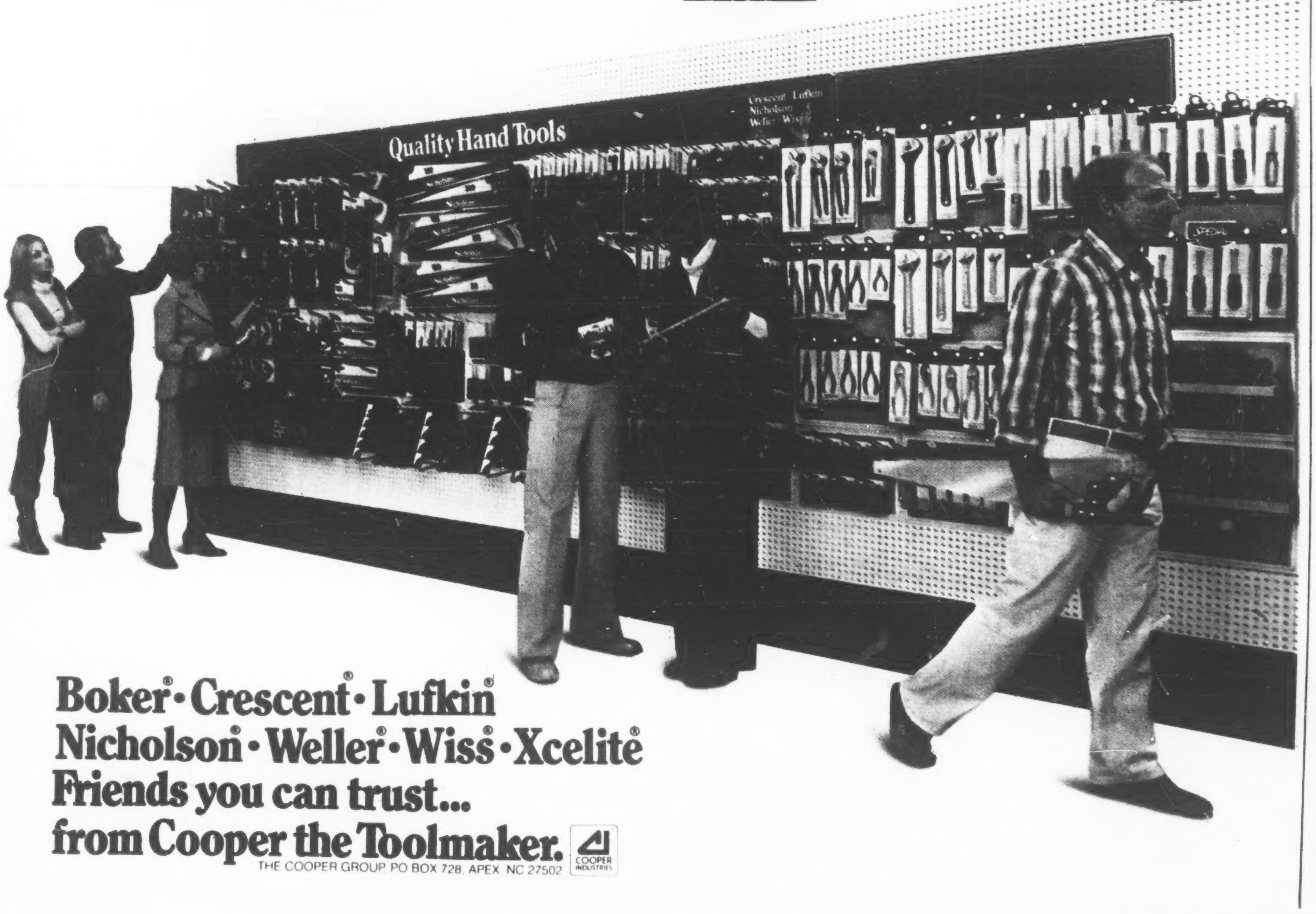

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The Economy May Stall Grand Auto's 10-Opening Plan

OAKLAND, Calif.—"We feel we're recession proof, but we're also feeling more conservative than ever with the economy the way it is," said a company official at Grand Auto, based here.

That conservatism may erase the company's expansion plans which right now call for the opening of 10 new stores this year. Most will be in the north Bay Area, according to the company official. Last year the chain was on time with its expansion plans and made its debut in the Fresno/Visalia market with four stores.

On the merchandising side, the chain plans to concentrate on the rebuilt engine program it initiated last year. "We began to install our own rebuilt engines in our shops last year," he said, "and we plan to continue doing that." He added: "Service is steadily becoming a larger part of our business."

The chain also plans to build up its hard parts inventory to gain more depth. In other departments, however, "we plan to concentrate on the faster-selling, good-turning items.

"The trend seems to be that people are holding onto their cars longer, and now the economy is forcing them to do repairs themselves. We're expanding our inventory so that they will learn that we have everything they need," he said.

parts
GRAND/AUTO
tires
CREDIT
AUTO PARTS

Grand Auto, third in sales among specialty auto chains, plans to concentrate on its rebuilt engine program as service activities become a larger part of its business. (DSN photo)

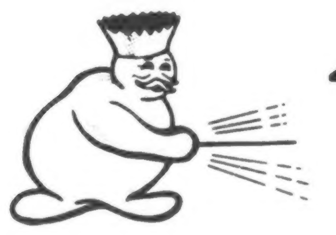
Grand Auto's Per-Share Net Up 23%

OAKLAND, Calif.—Grand Auto registered an 11.2% increase in sales in fiscal 1979, hitting $92,745,774.

Earnings per share rose to $2.10, up 22.7%.

Sales for the fourth quarter, which ended Jan. 7, totaled $23,373,097, up 7.9%.

Irving Krantzman, chairman of the board and president, attributed the sales performance to chain efforts, implemented over the past two years, to promote higher-markup automotive parts and accessories, and to reduce the rate of inventory shrinkage and promotional markdowns.



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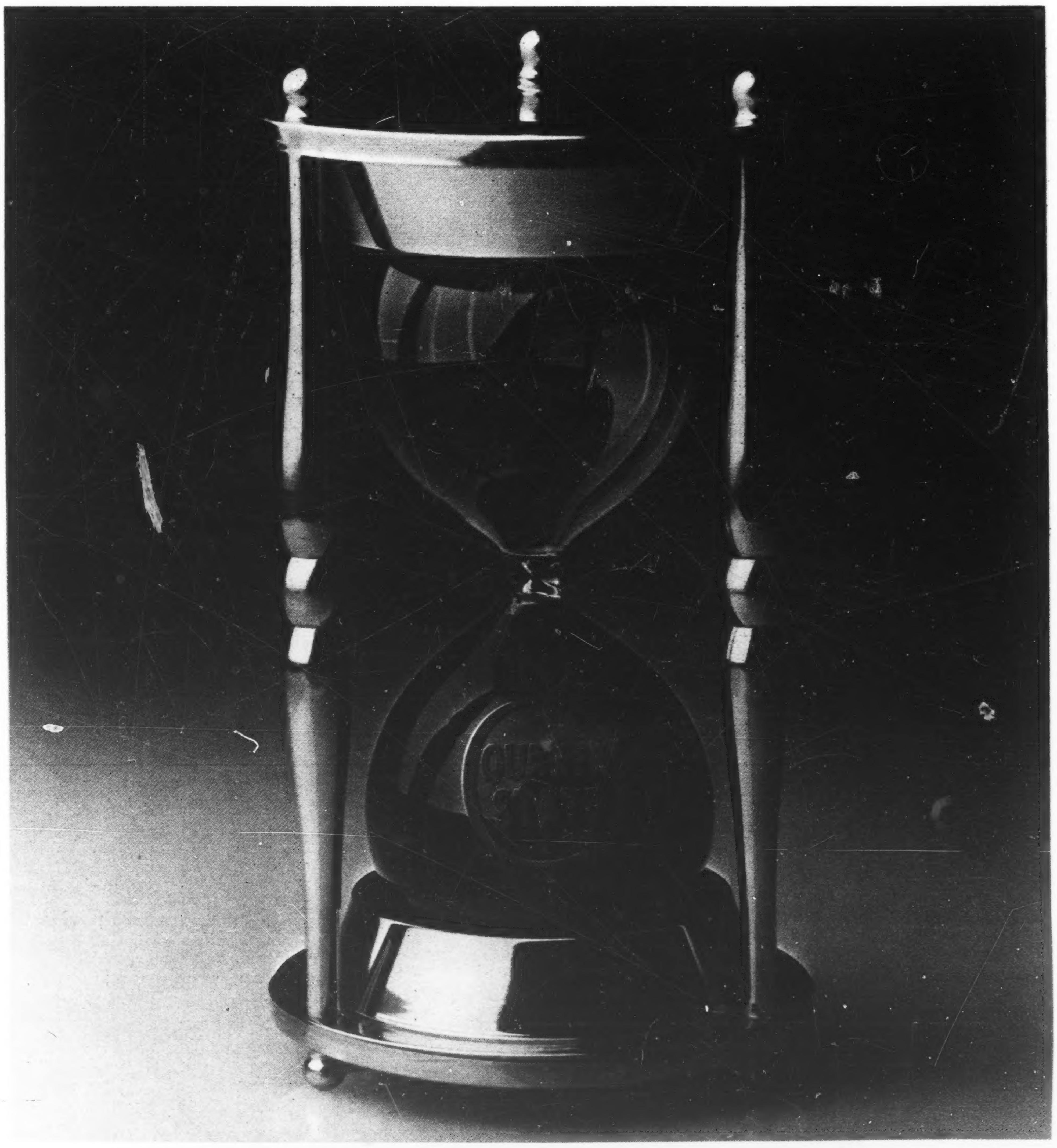

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Revco to Top $1 Billion Mark

(Continued from page 7)

This effort includes strengthening its Southwest market thrust that covers Arizona, New Mexico and Arkansas. Arkansas was entered for the first time last year with four stores.

Support for the Sunbelt expansion last year saw Revco open a 268,000-sq.-ft. distribution center in Aiken, S.C., as its seventh warehouse. The new facility is designed to service about 300 stores.

Revco this year is expanding its warehouses in Phoenix, Ariz., and Somerset, Pa. Its Henderson, N.C., facility will be enlarged shortly thereafter.

The company's expansion program includes upping the size of its stores. Units now average 8,450 sq. ft. This has enabled Revco to boost its mix to more than 8,000 sku's, including more than 380 private-label products.

Revco's position as the leading drug discounter reflects its merchandising posture of discounting every item in its stores, including such non-health and beauty aids as paperbacks, office and school supplies and greeting cards.

But "H&BA is what we claim to be experts in," an executive asserted, and Revco goes after this business with sharp discounts and by adjusting its mix to focus on growth categories. "Nail care is an expansion category," he noted.

Pharmacy is the key department in Revco stores and prescriptions account for about 27% of total drug store sales.

8 Drug Discounters Add 267 Stores In Census Year; 94 More Are on Tap

Chain	No. of Units May '79	No. of Units May '80	No. of Units Dec. '80	Volume in Millions Last completed fiscal year
Revco	1,112	1,223	1,243	$928
Thrifty	516	518	N/A	858
Rite Aid	732	820	852	811
Longs	110	122	137	773
SupeRx	484	483	N/A	567
Drug Fair	160	175	183	266
Dart	75	74	81	231
Fay's	61	100	112	194

N/A—not available

Eight big drug discounters added 267 units since last May and have another 94 planned by year's end. Store count and volume leader Revco should continue to set the pace. (DSN research)

Booming Rite Aid Hypos Pharmacies

SHIREMANSTOWN, Pa.—Rite Aid continues to be one of the fastest-growing specialty drug discounters and plans to open 50 stores through the end of the year to hit the 870-unit mark.

The company opened 46 stores during the first five months of the year after ending 1979 with 774 units.

All new stores will include pharmacies as part of Rite Aid's program of positioning itself as full-service drug stores, rather than just a discount health and beauty aids chain. Pharmacies were also added to older units that didn't have this facility and only 68 stores are expected to lack Rx counters because of low volume or small size.

The chain is going with 6,700 sq. ft. of space as its prototype and expects to remodel about 80 units this year, with a number being enlarged to this size.

The chain's expansion should enable it to hit a projected $950 million in sales in the new fiscal year, up 17.1% from $811 million during the fiscal year ended March 1.

The volume in the completed fiscal year was a 26.7% increase from the $640 million in the previous fiscal year and the percentage gain was slightly ahead of the 23.5% boost in net profits which went to $30.2 million from $24.5 million.

Chain executives have targeted a 10% annual growth rate in units so that Rite Aid should break the 1,000-store mark by 1983, the second specialty drug discounter to do so.

A key support for this growth was Rite Aid's opening of a 210,000-sq.-ft. distribution center in Charlestown, W.Va., to service its Southern States thrust.

Rite Aid has also speeded up its remodeling program, with the 80 stores due to be updated this year being a 33% jump from the 60 modernized last year.

Rite Aid spots its stores in shopping centers to draw customers from the high traffic; its inclusion of pharmacies is geared to offering these customers the full range of products and services of a drug store, rather than just a discounted H&BA mix.

Longs to Step Up Expansion; Plans 15-18 Per Year

WALNUT CREEK, Calif.—Longs, a pioneer West Coast discount drug chain, plans to step up its expansion from 15 to 18 stores a year from the nine- or 10-unit pace maintained for the past half decade.

The 130-store chain set the stage for this move by building 13 new units last year to end up with a net gain of 10 stores as two smaller Longs were replaced and one closed.

The chain's more aggressive growth included jumping into a new market—Nevada—last year to expand its coverage to six states; the others are California, Oregon, Arizona, Hawaii and Alaska.

Longs is a highly decentralized chain and this merchandising and operational approach has enabled the company to generate about $5.9 million in sales per store.

In the fiscal year ended Jan. 31, Longs' sales amounted to $773 million, a 16.4% jump from the $664 million produced in the previous fiscal year.

Net earnings showed a slightly smaller percentage increase, going up 13.1% to $26.7 million from $23.6 million.

The decentralized merchandising and operational program focuses on the store manager and the district manager making the day-to-day business decisions, including buying merchandise, setting prices and taking markdowns.

All stores except the dozen units in Hawaii buy goods direct, thereby avoiding the need for central warehousing.

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Editorial

Let's Make the NMRI Convention a Time For Action

1980:
THE YEAR OF
THE DISCOUNTER
Discount Store News

Welcome to the NMRI convention!

We've probably never needed it more than we do today. The horizon is ominous, especially when the most recent past (April sales, for instance) is analyzed.

This is, indeed, a "Time of Change."

But there's no reason that a group of this nation's most dynamic retailing executives, putting their heads together for a week in New Orleans, can't figure out some surefire ways to lick this economic monster.

Today, discounting is an industry of retailing professionals. This group in New Orleans represents the best mass merchandising brains in the world.

And, happily, these brains are here to be picked.

Also available for the asking are the knowledge and experience of plenty of smart suppliers. In most cases, these manufacturers have lived with discounting, enjoying the industry's good times and weathering its storms.

We call 1980 the Year of the Discounter. We consider the 80's to be the Decade of the Discounter. This will be true, regardless of how bleak the economy turns. It will be tougher, for sure. But consumers, nevertheless, will continue to recognize that value and price are synonymous with discount store.

The job will be to convert sales to dollars. That's why the 80's also will be a decade of control. Existing stores will become more productive through better assortment editing. Discounters—and their sources—will know the best-selling items and planogram their floor space with that in mind.

Computers will more and more play a part in manpower deployment and energy usage, as well as measure sales at store level.

Replenishment techniques that enhance turnover will need to be developed jointly by discounters and their suppliers. Personnel and manpower

(Continued on page 158)

Discount Store News®
THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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40 Top Discounters See Gain of 526 Stores in '80

Nationwide DSN Report

Forty of the top discounters are squaring off against the new decade and an uncertain economy with aggressive expansion plans that will produce a net gain of 526 stores in 1980—an 8.4% increase over the 6,259 stores they operated at the end of 1979.

In addition, 1980 will mark the year top discounters K mart and Wal-Mart started testing upgraded units with racetrack configurations and more fashionable apparel presentations.

Of the 534 new stores slated to open by year's end, 60% represent commitments to new-store construction by four chains: K mart (210 stores), Wal-Mart (45), Woolco (39) and Target (20).

New growth at T.G. & Y., which plans to add 51 discount stores this year, includes the conversion of some of its smaller variety stores to the discount format of its Family Centers and super stores.

Expansion plans for the rest of the top eight discounters—Zayre, Gemco/Memco, and Gibson's—are more conservative, or in the case of Gibson's, which shuttered seven company-owned stores last month, nonexistent.

Zayre, currently with 254 outlets, is concentrating on store renovations and remerchandising this year, focusing particularly on those of its Florida stores that it hasn't yet remodeled. Last year, the Massachusetts-based giant opened 11 new stores, closed eight and remodeled 65.

Gemco/Memco, which ranked seventh in the industry last year with $1.1 billion in sales, plans to grow by seven

(Continued on page 157)

Pooh-pooh Combo, Supermarket, Drug Store Impact

Discounters Call Catalogers Competitive, But Not Very

Nationwide DSN Survey

Discounters rank catalog showrooms as the most competitive of four specialty retailing segments that sell general merchandise, because of the sharp pricing policies followed by most catalogers.

Less than a third of discount department store executives responding to a recent survey, however, ranked catalog showrooms as "competitive" or "extremely" competitive overall. And that percentage dropped to 19% for supermarkets, 17.4% for food/drug combination stores and 15.5% for drug stores.

These figures are taken from a recent *Discount Store News* survey of executives at the top 100 discount department store chains. Participants were asked to rank, on a scale of one (not competitive) to five (extremely competitive), each of four other retail segments, on such aspects of competition as price, breadth of assortment, continuity of goods, space allocation and apparel mix. A final measurement of the degree of

(Continued on page 24)

Specialty retail segments considered to have the least commonality of business practices with discount department stores, ranked by the percentage of respondents considering each segment to be "not similar at all" or "only slightly similar" in operations:

Catalog Showrooms	Drug Stores	Supermarkets	Food/Drug Combinations
92.9%	90.0%	86.7%	85.7%

Overall rankings of other retail segments, by percentage of respondents who consider each segment to be not competitive or only slightly competitive with discount department stores:

Drug Stores	Food/Drug Combinations	Supermarkets	Catalog Showrooms
84.5%	82.6%	81.0%	67.2%

Discount executives polled by DSN on the quality of competition from various specialty retailers ranked catalog showrooms least similar in operations, most competitive. (DSN research)

Eight K marts to Test Upscale Presentation

TROY, Mich.—K mart, the industry's volume and store-count leader and archetypically traditional discounter, is getting on the trade-up bandwagon.

Discount Store News confirmed that an April decision was made to test an upscale version of K mart in eight stores in a Michigan market before the end of the year.

Sources close to the chain report that K mart's approach would be similar to the plan adopted by Wal-Mart recently, in which a racetrack configuration and upgraded presentations make the trade-up statement, while much of the merchandise will remain the same.

Full implementation of the changes, chainwide, could cost K mart more than $300 million.

Some trading up in merchandise will be included in K mart's plan, with blends replacing some synthetics in apparel, and better quality cosmetics and fragrances also planogrammed into the test stores.

"This is the most positive thing I've heard about K mart in a long time," said a retail analyst who recently met with K mart's top management.

He reported that K mart's new chief executive officer, Bernard Fauber, is "clearly in charge, and clearly recognizes the need for K mart to revital-

(Continued on page 36)

Discounting Week

READY FOR '81. Plans are already in motion for the next NMRI convention, to be held in Florida at the Americana Hotel in Bal Harbour, May 9-13, 1981.

RAPID GROWTH. J. Brannam, Woolco's off-price name-brand apparel outlet, opened two units in Tulsa, Okla., and two more in Des Moines, adding 88,000 sq. ft. to the existing operation. Houston will get 10 J. Brannams, and Kansas City, Mo., five more in late summer. A typical J. Brannam mix is 50% women's and girls' apparel, 30% men's and boys', and 20% footwear and domestics.

SHUT DOWN. Two Guys has closed its unprofitable Leeds-Fox wholesale division. The discounter will liquidate the merchandise through its stores. Leeds-Fox stopped being profitable for Two Guys about seven years ago when the distributor lost Panasonic and General Electric lines.

DSN to Run Depth Study Of T.G. & Y.

NEW YORK—*Discount Store News* will devote the entire Dec. 8, 1980, issue to an in-depth examination of T.G. & Y.—one of the fastest-growing discount chains in the country.

As it converts existing variety stores to discount department stores, adds space to existing discount stores and builds new units, T.G. & Y. is moving rapidly into the top ranks of the multibillion dollar companies. Its comprehensive five-year plan, which is constantly updated, is a model of long-range planning.

DSN's coverage will include interviews with most of T.G. & Y.'s key executives, who will explain how the company's plan will bring its total volume to the $3 billion mark by 1983.

Our Biggest NMRI Convention Issue Ever!

Discounters to Mix Savvy, Census Results For Use in Merchandising, Site Picking

Nationwide DSN Report

Officials of discount store chains throughout the nation say they expect the 1980 census results to be of great value in long-range planning, but are cautioning their staffs not to abandon traditional methods of determining market composition.

If the breakdowns on population age, size and income are as complete as in previous years, they say, the information will be an important tool in site-selection decisions and determination of merchandise mixes.

But the results will be as much as two years old by the time they are released by the U.S. Bureau of Census in late 1981 or early 1982—a better base than the figures provided in the 1970 census, but still inadequate and in need of updating by the traditional methods.

Most major chains surveyed at presstime said they have been using the results of the 1970 census updated by a wide variety of techniques, as a means of making store location and marketing decisions.

Officials of K mart said that they use the *Editor and Publisher* Market Guide, in addition to checking with local chambers of commerce in order to update the population figures of the areas in which their stores are located.

Other chains, such as Pay Less Drug Northwest, headquartered in Beaverton, Ore., said they use techniques such as aerial photography to update the 1970 census results.

Still other chains routinely check with local utilities for the number of new hookups in a given area, and ask municipal building permit issuers for totals on the number of new permits.

"We're all waiting for the results with bated breath," explained John Thompson, whose

(Continued on page 24)

R. Gibson Fights FTC Subpoena Requiring Firm's Quarterly Report

WASHINGTON—Richard Gibson has filed a motion with the Federal Trade Commission to quash a subpoena requiring his company, Gibson Products, Longview, Tex., operator of 14 franchised discount stores, to send the agency its quarterly report.

Gibson is a son of H. R. Gibson, founder of Gibson's, Seagoville, Tex., which both franchises and operates discount stores.

Richard Gibson's motion follows on the heels of an FTC order against H. R. Gibson's firm to restrict its trade show operation which the FTC claimed violated provisions of the Robinson-Patman Act. The case is being appealed by Gibson's.

The motion to quash involved only the independent firm owned by Richard Gibson, who was not involved in the earlier FTC investigation. Apparently there is no connection between the two FTC actions.

According to FTC officials, its request was part of the agency's program to obtain quarterly reports from all companies in retailing and other selected categories that have assets of more than $25 million.

Gibson opposed the request, in part because his firm "does not maintain any records on a quarterly basis," according to the motion filed with the FTC. Therefore, he would have to estimate much of the information.

The motion also declared that the FTC does not have the authority to issue such a request "since the report sought is a quarterly report and is neither an *annual* or a *special* report under the limited authority given to the Federal Trade Commission."

Gibson's attorney, Bardwell D. Odum, told *Discount Store News* that the FTC's order is an example of the Federal Government's interference in private business and unnecessary demands on businessmen.

FedMart quality meat
fish shop

If a National Advertising Bureau poll proves correct, more discounters may be aping FedMart and adding grocery sections to better serve patrons' one-stop shopping needs. (DSN photo)

28% of 200 Women Polled

Gals See Discounters Taking Food Plunge

PHOENIX—Twenty-eight per cent of 200 women polled by the National Advertising Bureau anticipate that discount stores will add complete food markets to their mix in the coming decade, thereby increasing their one-stop shopping capabilities and becoming attractive competitors for food dollars.

The research, part of a study undertaken by the NAB to anticipate consumer attitudes toward food buying in the 1980's, found that the food shopper "has become extremely price conscious—more so than at any time since the 1930's—and perhaps more willing to change her food store than ever."

Interview results were compared with comments by top executives of six major western food chains.

In general, food shoppers expect to see higher prices in the coming years, but they also expect greater preparation convenience and more help from retail advertising. At the same time, many anticipate that a series of competitive developments will take place in food retailing—among them, a stronger bid for food dollars by discounters—to persuade them to shift store allegiances.

For example, 43% of those polled expected to be swayed by a "second" retailer's efforts to better advertise prices and savings, and 40% thought they could be converted to shopping nearby stores with limited stocks (no meat or produce) but with lower prices.

Forty per cent of the respondents also indicated that they could be persuaded to change stores by the appearance of giant warehouse stores which would sell foodstuffs from

(Continued on page 158)

In This Issue . . .

CHANGING TIMES. DSN previews the 15th annual NMRI convention and tells how and why the 80's will be a "Time of Change." The trade-up trend of recent years calls for planning in the 80's; mass retailers will streamline operations and merchandise more scientifically as they strive to keep their upscale image **and** economy-minded consumers. (P. 49)

Industry executives and observers will put their heads together in 17 sessions during the five-day meeting to discuss how to sustain their bottom line. After a strong year in sales and earnings for most chains, discounters tell how they will cope with challenges from outside the retailing world—the credit squeeze, the energy crisis, taxes—and with internal challenges—personnel training, warehousing and store security. (Pp. 50-112)

Stories on the top chains analyze 1979's success formulas with an eye on what will determine who's who in the 80's. (Pp. 113-151)

On the lighter side, leisure and sports activities offer discounters a different kind of challenge and some valuable prizes. (P. 100)

The whole line-up is summarized in the convention schedule. (P. 99)

And for a perspective on the NMRI's history, or just for nostalgia lovers, this issue's DiscounTalk highlights conventions and conventioneers past. (P. 107)

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Spotlight on: Upscale Presentation

Jefferson Gives Jewelry 'Corner Window' Setting

Jefferson, as in its Lauderdale Lakes, Fla., store, has developed an upscale presentation for jewelry that uses glass and chrome showcases to display diamonds, other jewelry and watches. Corner "window" displays (inset, left), are used to play up new items, current fashions and advertised goods.

These "windows" are changed every four to six weeks to give the displays a new look and to tie in with holidays and seasonal changes. The "windows" don't play up prices of the goods on display except for items that are being promoted. The jewelry area, which is carpeted, is on a main aisle and provides a counter where customers can sit and examine big-ticket items such as diamonds.

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Vol. 19, No. 10 May 19, 1980

The DISCOUNT MART

REPRESENTATIVES WANTED

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Manufacturer of the fastest selling products in California and Hawaii is looking for outlets, distributors, reps, for NEW PRIVATE LABEL. We manufacture for the leading brands of NYLON WALLETS, JOGGER SHOE POCKETS, BAGS, AND NYLON ACCESSORIES. The market for these products is exploding around the world. Large new factory means we keep up with your demand. Contact:

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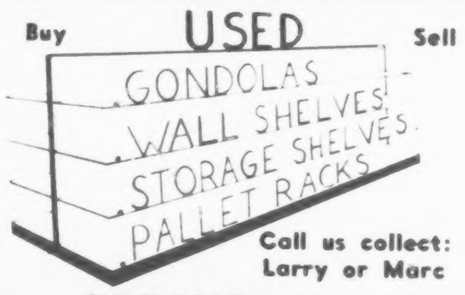

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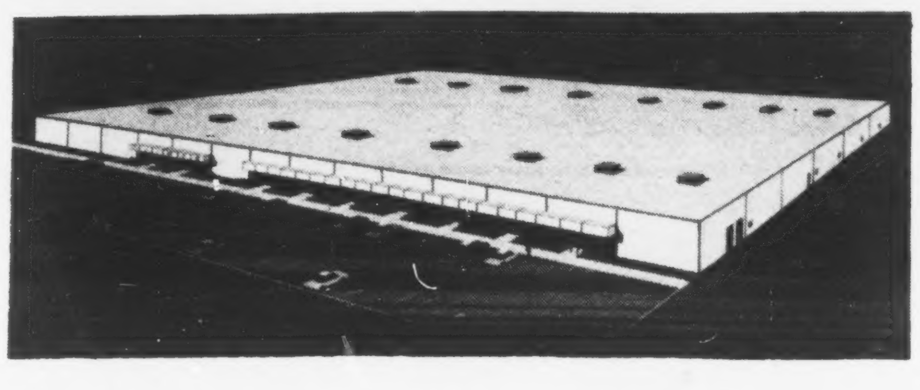

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CLASSIFIED ADVERTISING THAT BRINGS RESPONSE . . .

The DISCOUNT MART

1979 Sampling of Blind Box Replies

No. of Blind Box Ads	Category	No. of Responses
47	Help Wanted	468
14	Reps Wanted	79
8	Lines Wanted	49

In this short period of time . . .

69 BLIND BOX ADS BROUGHT 596 RESPONSES!

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FOR SALE & POSITIONS WANTED ADS REQUIRE PAYMENT IN ADVANCE

Top 40 Expansion

(Continued from page 1)

more stores this year for a total of 83. In 1979, the chain, headquartered in southern California, opened five stores.

The expansion leader this year, as usual, will be K mart with 210 stores slated to open by year's end. Fifty of them will conform to the chain's Group Nine prototype—a scaled-down, 50,000-sq.-ft. store the chain uses in rural and exurban markets (and to saturate the fringes of major metro markets).

The 45-store expansion plan on tap for Wal-Mart will give the Arkansas-based discounter 325 units by the end of the year, pushing it ahead of Zayre and into third place in store count.

In addition, 400 other potential Wal-Mart sites have already been identified for future growth.

Still Developing

According to a Wal-Mart executive, however, the chain is not relying on its expansion program exclusively to boost chain sales. Last year, improved operating procedures helped boost same-store sales by 16%.

Another chain gearing up for a flood of new store openings this year and next is Jefferson, the discount branch of Montgomery Ward, which has added approximately 30 stores

In 1979, the Miami-based chain absorbed Almart, added several units vacated by the now defunct J. M. Fields, and took over another two dozen stores that once belonged to Two Guys, Murphy's Mart and Ward. Those outlets will be opened under the Jefferson banner during 1980 and 1981.

On the downside, two troubled chains to watch for additional closings this year are Two Guys and Korvettes.

The new board proposed for Vornado, Two Guys' parent corporation, will be controlled by outside real estate interests who have expressed the desire in the past to close down stores and sell off the chain's lucrative properties outside the metropolitan New York/New Jersey area.

And earlier this year, Korvettes closed four Baltimore stores and 10 more in New York, New Jersey, Pennsylvania and Virginia. The chain is also expected to shed its last Philadelphia store, and may shut down its three New York City locations.

The closings are part of Korvettes' 11th-hour struggle to regain profitability and recapture lost market share.

Merchandising efforts that accompanied the store closings are aimed at putting the chain back in the "basic" discount store business at which it excelled in the 60's and early 70's.

534 New Stores Are Due in '80

Chain	Total stores 12/79	Openings in 1980	Projected total stores 12/80
K mart	1,688	210	1,898
T.G. & Y.	935	51(A)	986*
Woolco	417	39(B)	456
Gibson	381	(7)	374
Wal-Mart	276	45	321
Zayre	254	5	259
Rose's	227	12	239
Pamida	188	6	194
King's	191	1	192
Ames	100	13	113
Howard Bros.	95	10	105
Murphy's Mart	99	5	104
Target	80	20	100
Bradlees	83	5	88
Hills	80	7	87
Gemco/Memco	76	7	83
Heck's	75	8	83
Cook United	79	3	82
ALCO	65	8	73
FedMart	69	(1)	68
Fred Meyer	64	3	67
Jamesway	60	6	66
Fisher's Big Wheel	59	6	65
Barkers	60	0	60*
Caldor	56	8	64
Magic Mart	47	4	51
Jefferson	21	29(C)	50
Two Guys	48	1	49
Rink's	45	2	47
Venture	45	0	45
S. E. Nichols	43	1	44
Zodys	37	6	43
Gold Circle	42	0	42
Ayr-Way	41	0	41
Grand Central	32	0	32
ShopKo	27	4	31
3D (Danners)	26	3	29
Richway	18	3	21
Gee Bee	17	3	20
Clover	13	0	13
TOTALS	6,259	534	6,785

(A) Some of the new units to be opened this year by T.G. & Y. are conversions or expansions of existing variety stores.

(B) Woolco Canada, which operated 105 stores at the end of 1979, plans to open nine more in 1980.

(C) Jefferson's new stores include: acquisitions from Murphy's Mart, Two Guys, Almart/Hunter and Fields; operational takeovers of some northern Florida Montgomery Ward stores, and new construction in some Florida markets.

** DSN estimate*

Despite an uncertain economy, the top 40 discount chains plan to open 534 units this year, a net gain (after store closings) of 8.4% over last year.

(DSN research)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Electrics: Drips, Personal Care, Ice Creamers Big

By Howard Bobroff
President,
Myron Nickman Distributors

A seasonal surge in demand for ice-cream makers, together with continued strong sales of drip coffeemakers, personal care electrics and lower-priced items in general, were the key trends in the electric housewares Product Movement Audit for the first quarter.

Stocking of seasonal items by discounters and other retailers resulted in a Proctor-Silex 4-qt. ice-cream maker jumping into the No. 2 spot on the specialty electrics chart while the Waring Ice Cream Parlor captured the No. 11 listing; Norelco's Lickety Split was No. 13.

The three ice-cream makers, along with hot-air popcorn makers and mini-deep fryers, made the specialty electrics classification No. 3 in total dollar movement. The 4,630 units moved were No. 4 in overall unit movement.

It's evident that specialty electrics have remained a viable classification due to the advent of hot-air popcorn makers—three of which made the report, including Wear-Ever's Popcorn Pumper As No. 1—and interest in seasonal items such as ice-cream makers.

A Closer Look

The top electrics classification in total dollar movement continued to be drip coffeemakers. The showing reflected the large movement of 8,282 units for second place in total unit sales, and the interest in higher-priced, traded-up models. The No. 1 item, North American's Mr. Coffee 12-cup unit with coffee saver, also had the highest average dollar retail at $39.88 of any drip coffeemaker.

The other heavyweight electrics classification was personal care appliances. Styler/dryers overall were the top classification in unit movement with 8,789 sold, and No. 2 in total dollar movement. Curling wands were No. 4 in dollar movement and No. 3 in unit movement.

Styler/dryers as a long-established classification illustrated the tendency of extensive competition to result in lower prices. Twenty different models made the report and 15 were under $20, with 11 under $15. The average retail price of the 20 units was $15.48.

A different story was evident in curling wands, where curling brushes are a relatively new item and tended to have a higher average retail than

(Continued on page 40)

ELECTRIC HOUSEWARES

Figures for these electric housewares PMA tables cover the period from Jan. 1-March 29, 1980. They were supplied by Myron Nickman Distributors, a division of Cook United, Maple Heights, Ohio. Nickman covers 900 stores, including 125 discount department stores in the Midwest. Average retail prices listed by the distributor reflect typical price points for discount clients.

STYLER/DRYERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4	Gillette 1200W Supermax	706	22.83	16,117.98
2	15	Windmere 1250W Boss	856	13.13	11,239.28
3	—	Conair 1250W Vagabond	671	16.63	11,158.73
4	1	Conair 1200W Pro Sty w/brsh	504	21.75	10,962.00
5	11	Clairol 1200W One-for-the-Rd	456	20.14	9,183.84
6	8	Gillette 1000W Supermax 2	447	19.48	8,707.56
7	—	Northern 1200W compact	1,006	8.60	8,651.60
8	14	Northern 1000W	691	11.45	7,911.95
9	20	Northern 1200W Pro Blower	689	10.21	7,034.69
10	7	Conair 1000W Pro Dryer	475	13.68	6,498.00
11	2	Gillette 1400W Supermax Pro	355	18.15	6,443.25
12	5	Clairol 1200W Shoot the Brz	325	17.44	5,668.00
13	9	Conair 1200W Pistol Power	365	12.45	4,544.25
14	3	Sunbeam 1200W Win-Aire	332	13.19	4,379.08
15	18	Windmere 1200W Dry Baby	309	12.01	3,711.09
16	2	Gillette 1400W Supermax Pro	148	21.48	3,179.04
17	10	Clairol 1200W Son of A Gun	99	20.79	2,058.21
18	6	Norelco 1000W Gotcha Gun	160	11.71	1,873.60
19	16	Shetland 1200W Prony Pro	128	9.56	1,223.68
20	13	Norelco 1200W Gotcha Gun	64	14.26	912.64
		TOTALS	8,786		131,458.47

CURLING WANDS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Clairol Crazy Brush	1,330	13.43	17,861.90
2	2	Gillette Body & Curl	519	14.75	7,655.25
3	11	Norelco Curl Q	638	10.26	6,545.88
4	5	Dallas Hot Pick	540	11.43	6,172.20
5	9	Clairol Crazy Curl	501	12.08	6,052.08
6	2	Northern Pro Styling Brush	838	6.89	5,773.82
7	6	Norelco Wave Maker	378	14.30	5,405.40
8	3	Windmere Setting Pretty	806	5.58	4,497.48
9	8	Sunbeam Mist Stick swvl crd	431	8.46	3,646.26
10	13	Gillette Super Curl compact	133	13.41	1,783.53
11	—	Northenr Pro Iron, chrm	366	4.79	1,753.14
12	—	Windmere The Dry Iron	367	4.29	1,574.43
13	4	Windmere Kwik Kurl Wndr Bar	354	3.89	1,377.06
14	1	Windmere Curling Brush	151	8.71	1,315.21
15	10	Conair Littly Misty	60	10.46	627.60
		TOTALS	7,412		72,044.24

SLOW COOKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	Rival 3½-qt almond	1,542	13.06	20,138.52
2	1	Rival 5-qt rmvbl lnr, beige	674	25.84	17,416.16
3	2	Rival 3½-qt rvmbl lnr	618	21.04	13,002.72
4	4	Van Wyck 6-qt rmvbl	222	24.35	5,405.70
5	—	Rival 1-qt Crock-ette	145	11.14	1,615.30
		TOTALS	3,201		57,578.40

FOOD PROCESSORS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Sunbeam Le Chef	102	109.46	11,164.92
2	—	Moulinex La Grande	69	82.35	5,682.15
3	2	Hamilton Beach Cuisine Mchn	89	62.73	5,582.97
		TOTALS	260		22,430.04

STAND MIXERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Sunbeam w/dgh hk, wh	162	77.86	12,613.32
2	2	Waring 6-speed, 2-wy, wh	289	19.73	5,701.97
3	3	Hamilton Bch 12-sp, stnls bwl	86	33.29	2,862.94
		TOTALS	537		21,178.23

(Continued on page 40)

MOTORCRAFT

THE 8TH PLUG'S ON THE HOUSE.

BUY 7 PLUGS—GET THE 8TH ONE FREE. Every time you buy seven Motorcraft Spark Plugs, you get a free one. So every time your customers buy seven from you, you can give them a free one.

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Motorcraft Ford

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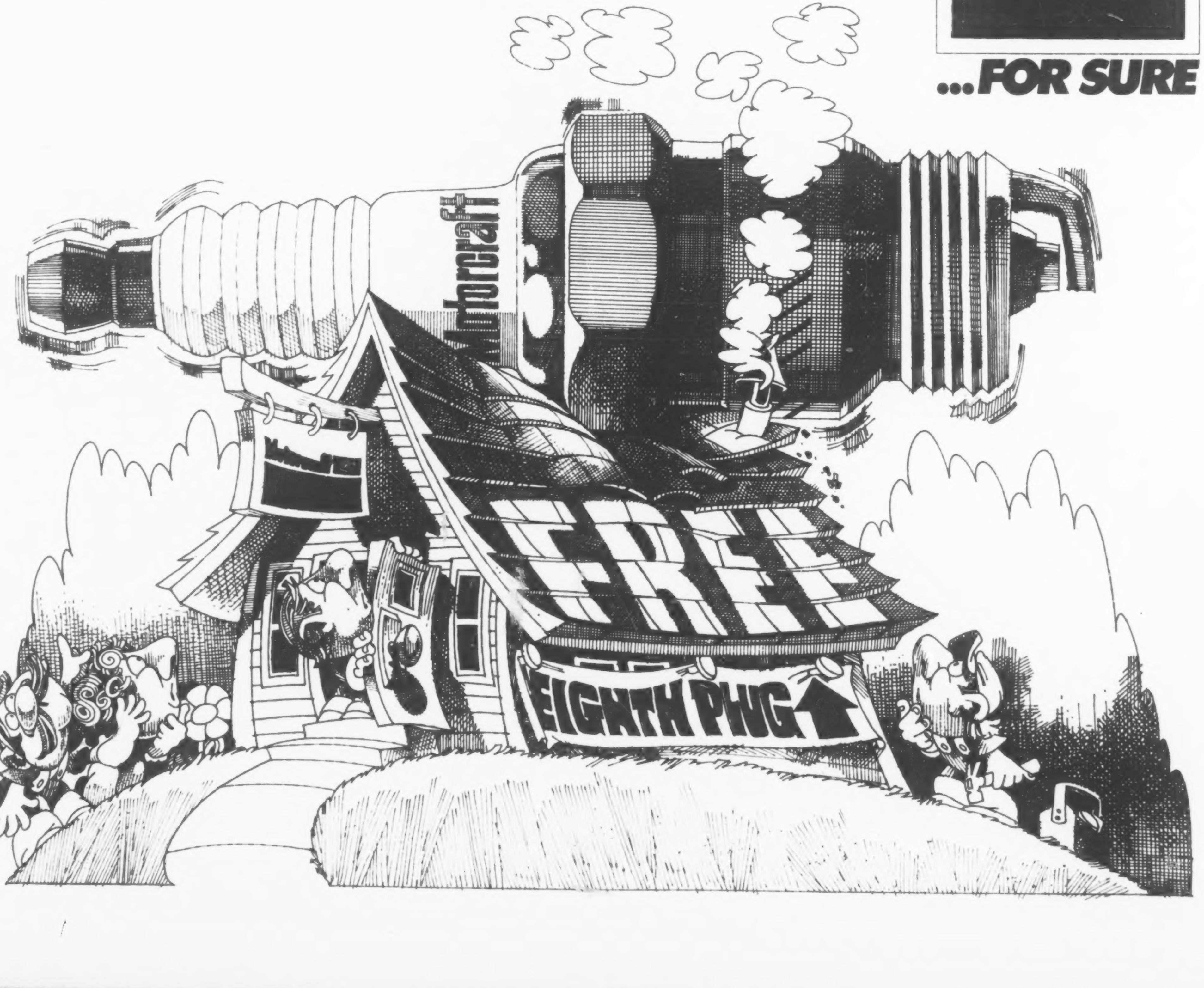

Woolco, Rising Sun Plaza, Philadelphia, uses a cube display to cross merchandise all hair care appliances together with make-up mirrors for tie-in sales.
(DSN photo)

ELECTRIC HOUSEWARES

(Continued from page 39)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
BLENDERS					
1	2	Oster 10-speed	458	24.05	11,014.90
2	1	Hamilton Beach 7-spd, almnd	465	19.79	9,202.35
3	5	Hmltn Bch 14-sp Blndr Pls, gld	185	29.30	5,420.50
4	6	Waring 15-button, White	149	25.94	3,865.06
5	4	Oster 10-speed, gls bwl	130	29.15	3,789.50
		TOTALS	1,387		33,292.31
HAND MIXERS					
1	3	Hamilton Beach 3-spd, gold	1,017	11.03	11,217.51
2	5	Hmltn Bch 5-sp w/case, almnd	325	18.79	6,106.76
3	1	Sunbeam 5-sp, Brst of Pwr, wh	287	21.27	6,104.49
4	2	Sunbeam 3-speed, wh	453	10.73	4,860.69
5	—	Moulinex hnd mx w/dgh hks	170	22.15	3,765.50
6	4	Waring 6-sp, wh	210	12.75	2,677.50
7	6	Betty-G 5-speed, wh	180	9.99	1,798.20
		TOTALS	2,642		36,530.64
TOASTERS					
1	3	Proctor-Silex 2-slc, prm	1,631	12.21	19,914.51
2	4	Proctor-Silex 4-slc, prm	506	18.26	9,239.56
3	2	Proctor-Silex 2-slc, pstry	554	16.23	8,991.42
4	1	Toastmaster 2-slc, pr, almnd	653	12.44	8,123.32
5	5	Toastmaster 4-slc, dual cntrl	241	28.34	6,829.94
6	6	Proctor-Silex 4-slc, pstry	224	23.99	5,373.76
		TOTALS	3,809		58,472.51

(Continued on page 43)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hot Electrics

(Continued from page 39)

wands that have been on the market for a number of years.

The four curling brushes on the audit had an average retail of $12.34 compared with $9.96 for the five wands that made the listing. In fact, the three highest average prices were for curling brushes. What can be expected to happen over time is that curling brush retails will drop, as happened with wands and styler/dryers.

Pressure will also build for lower price points for curling wands as part of the overall thrust to lower retailer prices for electric housewares and particularly for those items that sell everyday.

This situation can be clearly seen in the average retail prices for the basic classifications of slow cookers, toasters, irons and can openers. In almost all cases, the top-moving item tended to be among the lowest-priced models in each classification.

What seems to be happening

(Continued on page 43)

Fast Movers, New Stars

The following "High Risers" chart lists the items (and their rank) that have moved up five or more places from the previously published Myron Nickman Distributors electric housewares PMA. In addition, under the heading "New Items" are products (and their rank) that are appearing on the report for the first time.

Category/Item	Rank
HIGH RISERS	
STYLER/DRYERS	
Windmere 1250W Boss	2
Clairol 1200W One-for-the-Road	5
Northern 1200W compact	7
Northern 1000W	8
Northern 1200W Pro Blower	9
CURLING WANDS	
Norelco Curl Q	3
Windmere The Dry Iron	12
DRIP COFFEEMAKERS	
Mr. Coffee 10-cu delx w/svr	5
SPECIALTY ELECTRICS	
Proctor-Silex ice cream maker	2
Hamilton Beach Fry All	7
Presto Gran Pappy	10
Waring Ice Cream Parlor	11
Presto Fry Baby	12
Norelco Lickety Split	13
SLOW COOKERS	
Rival 1-qt Crock-ette	5
CAN OPENERS	
Rival, almond	1
Rival, gold	4
IRONS	
Sunbeam steam iron promo	2
Hamilton Beach Speed-O-Light II	8
NEW ITEMS	
CURLING WANDS	
Clairol Crazy Brush	1
Northern Pro Iron, chrome	11
FOOD PROCESSORS	
Moulinex Le Grande	2
HAND MIXERS	
Moulinex w/dough hooks	5

A day in the small world of Gerber begins with a call from your Gerber representative.

TUESDAY 10:15am

Your Gerber Representative is eager to tell you about the best quality child care products you can carry. Each one of the over 400 items is designed and manufactured with care, and backed by the name mothers have trusted for more than fifty years.

And your dollars are backed with a complete range of retail marketing programs, including advertising, merchandising, displays, special sales and promotional allowances.

Why not let your Gerber Representative help you plan a child care department that means extra profits for you and extra convenience for your customers? You can stock a large variety of items from a single invoice when the name on top is Gerber. And your customers will be glad you did.

Gerber Knitted Underwear.
We've woven 100% cotton into a full line of comfort-fitted underwear that's guaranteed not to shrink out of fit even when machine washed and dried. Be prepared to hear your customers praise our line. And in a $70 million retail market, praise means profit.

Gerber Sterilizers and Feeding Appliances.
Our full range of feeding dishes, sterilizers and bottle warmers represents high quality to your customers and high unit sales to you. The feeding appliance market is at $30 million retail and growing. And who knows more about feeding babies than Gerber?

Hankscraft Steam Vaporizers and Cool Vapor Humidifiers.
Hankscraft vaporizers and humidifiers have been long-time favorites with doctors and parents alike. Our rigid requirements for safety, convenience and durability have made Hankscraft by Gerber the number one selling line of portable vaporizers and humidifiers in a $60 million retail industry. And our generous allowances mean extra traffic-building promotional dollars for you.

Gerber Nursers and Nurser Accessories.
Gerber has this more than $100 million retail category covered with a full range of high quality nurser systems and related accessories. Mothers are particularly enthusiastic about our disposable nurser system, which features a snap-off hood, a stand-up nipple, and ounce markings printed right on the disposable bottles.

Gerber Diaper and Carry-All Bags.
Even the busiest mothers want to travel in style. That's why they'll be spending $15 million on diaper and carry-all bags this year. And Gerber's wide selection of styles and prices is designed to see that you get your share of the sales.

Gerber Vinyl Pants and Bibs.
Last year, over $45 million retail were spent on vinyl pants and bibs by customers like yours. Gerber accounted for 50% of the pant sales and 20% of the bib sales. In short, no one sells more vinyl babywear than Gerber. This year, the vinyl pant 3-pack will go a long way to increase unit sales even further. So make sure you get your share.

The small world of Gerber is more than baby food.

Gerber®
Babies are our business...
and have been for over 50 years.
Gerber Products Company, Fremont, MI 49412

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hot Electrics

(Continued from page 40)

is that discounters and other retailers are focusing on the lower-priced units in basics as the way to maintain traffic and sales. In irons, for example, the unit with the highest unit movement was Proctor-Silex's steam iron which also carried the second lowest average retail price (excluding the Struhl travel iron), while in the slow-cooker area, the basic Rival 3½-qt. model with the lowest average retail captured the highest unit movement.

The one major exception to the trend was in the food processor classification, where the top-moving item was Sunbeam's Le Chef model, which also had the highest average retail. Food processors are still a new enough classification that functional differences are reflected in different average retail prices and step-up models can command a higher ticket.

Calendar Of Events

National Mass Retailing Institute
Fairmont Hotel, New Orleans, May 10-14

Sporting Goods Manufacturers International Show & Active Sportswear and Footwear Expo
Expo Center/Fashion Mart, Chicago, June 15-18

National Stationery Show
New York Coliseum, New York, May 18-21

National Bath, Bed & Linen Show
New York Coliseum, New York, June 1-4

Consumer Electronics Show
McCormick Place, Chicago, June 15-18

Transworld Housewares and Variety Show
O'Hare Exposition Center, Chicago, July 11-16

National Housewares Manufacturers Association
McCormick Place, Chicago, July 14-17

American Fishing and Tackle Association
St. Louis, July 31-Aug. 3

SPARC '80 Supplier Performance Award by Retail Category Dinner
Chicago Marriott, Chicago, Aug. 10

National Hardware Show
McCormick Place, Chicago, Aug. 10-14

National Mass Retailing Institute's Loss Prevention Conference
Dutch Inn, Lake Buena Vista, Fla., Sept. 3-5

Automotive Parts and Accessories Association
Georgia World Congress Center, Atlanta, Nov. 1-3

ELECTRIC HOUSEWARES

(Continued from page 40)

CAN OPENERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	7	Rival, almond	1,092	10.40	11,356.80
2	2	Rival w/knife shrp, almnd	525	11.91	6,252.75
3	6	Rival slim w/knf shrp, wh	427	14.03	5,990.81
4	—	Rival, gold	389	10.18	3,960.02
5	5	Betty-G w/knf shrp, wh	385	9.73	3,746.05
6	3	Waring w/knf shrp, gold	265	13.30	3,524.50
7	4	Rival w/knf shrp, gold	228	12.05	2,747.40
8	1	Oster, white	98	16.16	1,583.68
		TOTALS	3,409		39,162.01

IRONS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Proctor-Silex steam	1,106	12.55	13,880.30
2	8	Sunbeam prmtnl steam iron	632	12.09	7,640.88
3	2	Sunbeam self-clean	230	27.54	6,334.20
4	4	Proctor-Silex steam/spray	410	15.20	6,232.00
5	3	Proctor-Silex steam/spray	269	19.70	5,299.30
6	6	Sunbeam prmtnl self-clean	221	21.48	4,747.08
7	7	Hamilton Beach Smart iron	147	29.30	4,307.10
8	—	Hamilton Beach Spd-O-Lght II	140	17.16	2,402.40
9	9	Sunbeam Today iron	115	20.03	2,303.45
10	10	Struhl travel iron	336	5.94	1,995.84
		TOTALS	3,606		55,142.55

DRIP COFFEEMAKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	N Amr Mr Cof 12-cp w/svr	2,267	39.88	90,407.96
2	4	Proctor-Silex 10-cup	2,200	20.21	44,462.00
3	7	Norelco 10-cp Dial-A Brew	1,460	25.49	37,215.40
4	2	N Amr Mr Cof 10-cup	1,330	25.33	33,688.90
5	—	N Amr Mr Cof 10-cp dlx w/svr	354	37.66	13,331.64
6	8	Regal 4-cp mini-drip	322	15.76	5,074.72
7	5	Norelco Express 4-cup	229	20.49	4,692.21
8	3	N Amr Mr Cof 10-cp w/svr	68	34.29	2,331.72
9	6	Norelco 12-cp Dial-A-Brew	52	35.10	1,825.28
		TOTALS	8,282		233,029.83

SPECIALTY ELECTRICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Wear-Ever Popcorn Pumper	1,789	27.53	49,251.17
2	—	Proctor-Silex 4-qt ice crm frzr	548	13.96	7,650.08
3	2	Presto Popcorn Now	240	31.59	7,581.60
4	6	Presto Fry Daddy	282	24.85	7,007.70
5	8	Hamilton Beach Fry All	364	17.71	6,446.44
6	4	Hamilton Beach Bttr Up Pppr	421	14.78	6,222.38
7	—	Hamilton Beach Air Pppr	98	32.14	3,149.72
8	7	Mirro Butter/Rite crn pppr	253	9.89	2,502.17
9	5	Toastmaster mini-grddl	98	22.64	2,218.72
10	—	Presto Gran Pappy	72	28.91	2,081.52
11	—	Waring Ice Cream Parlor	99	20.55	2,034.45
12	—	Presto Fry Baby	73	20.15	1,470.95
13	—	Norelco Lickety Split	121	11.95	1,445.95
14	9	Presto Hot Dogger	172	7.95	1,367.40
		TOTALS	4,630		100,430.25

Source: Myron Nickman Distributors

Jamesway's 4th-Qtr. Earnings Up 8%

SECAUCUS, N.J.—Jamesway reported record sales and earnings for the fourth quarter and year ending Feb. 2, 1980.

Fourth-quarter net income rose 8% to $3,266,000, or $1.17 per share, on revenues of $80,525,000. Sales rose 20%, excluding leased departments, in both periods.

Net income for the year climbed 10% to $6,371,000, or $2.29 per share, on sales of $242,409,000, excluding leased.

ORDER NOW...OR THE BIRDS WON'T BE THE ONLY ONES LEFT OUT IN THE COLD THIS FALL.

When the weather gets cold, the selling season for Rubbermaid Bird Feeders really heats up.

In just the past two years, Rubbermaid Bird Feeder sales have doubled. If yours haven't, maybe you're missing out on some handsome profits.

The key to success with bird feeder sales this fall is to make your plans now. And as an added incentive, we will give you an extra 10% discount on your Fall Bird Feeder order if you act before June 30.

Ask your Rubbermaid representative for complete details on Rubbermaid's Fall Bird Feeder Program and Early Order Discount.

Remember, fall is just around the corner, and the early bird gets the business.

Rubbermaid®
WE MAKE THE DIFFERENCE.

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Discount Store News

NMRI CONVENTION PERSPECTIVE
NATIONAL MASS RETAILING INSTITUTE

Kenny, Walton Warn Discounters

Trade-up Trend May Open Door to Bargain-Outlet Foes

NEW ORLEANS—What do discounters see coming in the 1980's—"A Time of Change" is the NMRI theme—that will force changes in the industry?

Competition, first and foremost, will be changing. Not only will there be changes in other segments of retailing, but intra-industry competition will intensify.

As one convention speaker put it, "There are no undiscovered cities and everyone knows about Taiwan. Discounters can no longer rely on unique merchandise assortments or store locations."

Trading up in merchandise and presentations that has taken place in recent years has both a positive and a negative side. Jefferson's president David Kenny sees another type of competition developing as a result of trade-ups.

"Discounters faced three tiers of competition in the 1970's, from department stores, specialty shops (including the catalogers) and general merchandise chains such as Sears and Penney," Kenny said. "As discount stores have traded up, they have created a price vacuum below, and a fourth layer of competition is emerging in the 1980's. Price-conscious customers are going to shop at places like flea markets and other types of stores that can undersell discounters."

"Discounters faced three tiers of competition in the 1970's, from department stores, specialty shops and general merchandise chains. . . ."—David Kenny, President, Jefferson.

Wal-Mart chairman Sam Walton agreed. "There are a lot of us who are thinking about the trade-up route, but we must be careful to remain true discounters. Otherwise the trade-ups could go too far, and the trend of the food industry could be followed, with bare-bones, bargain-store competition emerging."

One of the great positive effects of trading up has been in consumer acceptance, which some discounters see as the prime benefit moving into the 1980's.

"We have gained consumer acceptance that we did not have in the 1960's and have also gained in professionalism of our operations as an industry," said S. E. Nichols president Manfred Brecker, "and for the first time we received a fashion image in the late 1970's. This will be a great benefit for those who are able to exploit it in the 1980's."

Expansion of store numbers has traditionally accounted for much volume growth, but several discounters and analysts predict that growth of store units will slow in the 1980's.

"I still see more consolidation and acquisitions as some weaker sisters in the industry will be squeezed out," Kenny said. Brecker, noting the high cost of building today, said "there will be less building in the years to come, and because people can't afford to build, there will be more takeovers."

High interest rates in recent months have slowed many chains' expansion plans, although this is seen as a short-term problem and not a long-term obstacle.

"There are a lot of us who are thinking about the trade-up route, but we must be careful to remain true discounters."
—Sam Walton, Chairman, Wal-Mart.

"Immediately, the cost of money has restricted our expansion plans," said ALCO's president Robert Soelter, "but once they come down to an acceptable level we will bring the plans back. They were not cut, they were just put on the back burner."

While the cost of money is expected to tail back down from present levels, the cost of building is not likely to.

"The No. 1 problem coming at us is to be able to build or rent a store at a reasonable cost or rate," said Jamesway's chairman Herb Fisher, commenting on changes to come in the next few years.

"There has been some talk of fluctuating mortgage rates, which is frightening," Fisher said. "Two things we are doing to overcome the problem is to reduce the specifications on our stores—making them without frills and cutting down on lighting and air-conditioning, for example—and trying to develop new ways to finance expansion. We are considering such things as joint ventures with developers."

Discounters are split on the point of ownership of stores, however. ALCO's Soelter said: "We do not want to commit our capital to buildings; we would rather have it in merchandise."

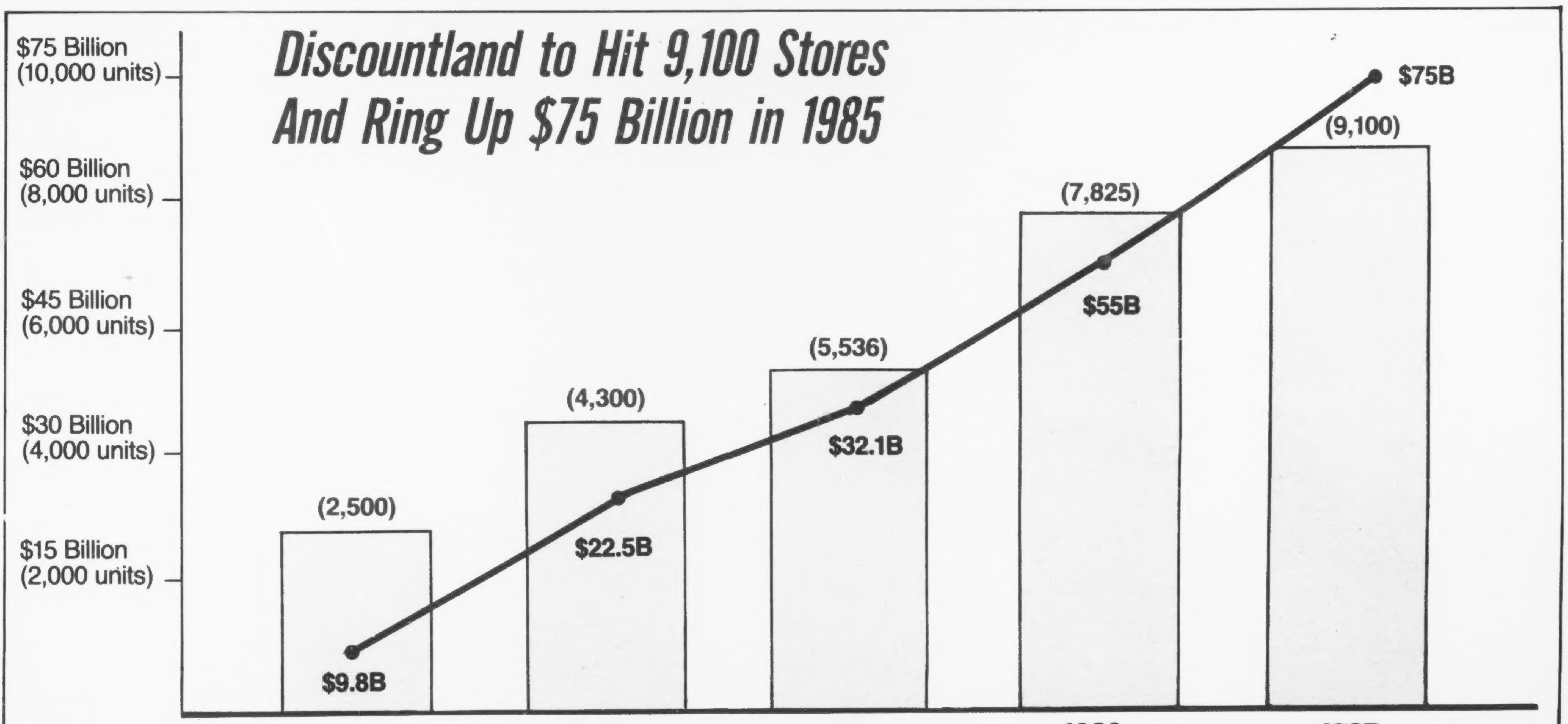
Discounters agree that productivity from existing units becomes a challenge in a time of continued inflation and high cost of additional units. Changes in both operations and merchandising are on the way for the 1980's.

Soelter said ALCO's management is looking forward to the deregulation of the trucking industry to allow the chain to haul merchandise that is not its own, since the chain must make deliveries to faraway stores.

Jamesway's Fisher said his chain is purchasing its own telephone system, cost-justified because of its adaptability to the company's needs and long-term savings. Jamesway is also installing terminals at the receiving docks of new stores (also equipped with POS systems) to eliminate the hand paperwork

(Continued on page 151)

"We have gained consumer acceptance that we did not have in the 1960's and have also gained in professionalism in our operations as an industry."—Manfred Brecker, President, S. E. Nichols.



Discountland to Hit 9,100 Stores And Ring Up $75 Billion in 1985

The discount industry has been a strong performer over the past 15 years, and by all estimates that growth will continue. In 1985, DSN estimates that there will be 9,100 discount stores in operation across the country ringing up $75 billion in sales—a 36% jump over this year's anticipated sales of $55 billion. (DSN research)

Execs Warn Trade-up Trend May Open Door to Bargain-Outlet Foes

(Continued from page 49)

in receiving goods.

At Wal-Mart, Sam Walton said: "We have started a program of transporting our employees by bus to Searcy and Bentonville from outlying areas. We feel we are saving a lot of gas, and we plan to expand the program."

Cost of gasoline, of course, is seen as a big factor in determining consumer shopping habits in the 1980's. For many discounters, positioned as the neighborhood store, the high gasoline prices are seen as a plus.

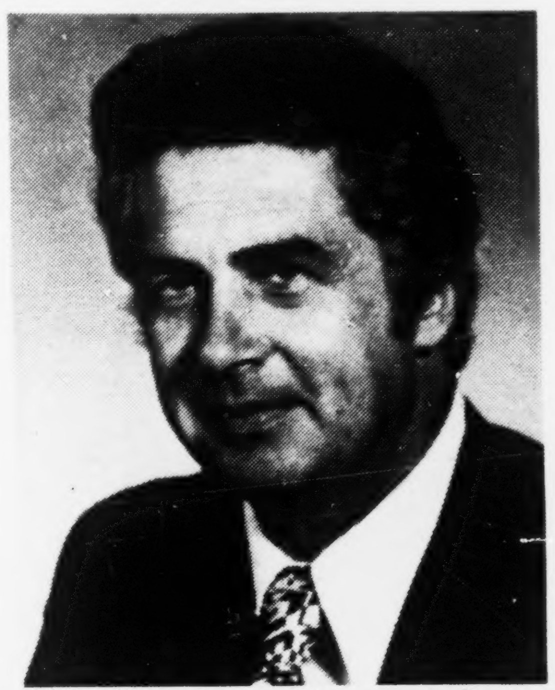
"Regional mall competition will decline because a mall requires a base of customers from such a wide area," Brecker said. "A customer would cherry-pick stores by product category in the past looking for the cheapest price, but now more money is burned up in gas than is saved, so this is coming to an end. Customers will look for the store with the most products at the best price, not each one at the cheapest."

What this means is that discounters will have to develop sharper merchandising techniques to get customers to stay in the stores longer and purchase more. This becomes an even greater need as stores are scaled down due to energy and building costs.

"We will have to find more efficient ways of displaying merchandise," Kenny said, "to compensate for less space. The art of merchandising will become more scientific in the 1980's, as more medium-term planning will be done instead of traditional planning for the next season."

As discounters try to plan merchandise direction two to three years down the road, inventory movement will be more carefully scrutinized and new yardsticks of performance will develop.

"More qualitative analysis of sales data will be developed in the 80's," Kenny said. "Not only will sales per square foot be a criterion for determining what merchandise to sell, but also gross margins per foot."



"We do not want to commit our capital to buildings; we would rather have it in merchandise." —Robert Soelter, President, ALCO.

"Two things we are doing to overcome the [mortgage rate] problem is to reduce the specifications of our stores . . . and trying to develop new ways to finance expansion."—Herbert Fisher, Chairman, Jamesway.

Washington Beat

(Continued from page 26)

plans."

In his testimony, Hutchinson set forth five general principles which he said retailers consider important to *any* standby Federal plan:

1. It is designed to be used only in a real emergency;
2. It is understandable by those affected;
3. It is enforceable;
4. It is fair, and
5. It is effective.

Those five principles, he noted, "have led retailing to one central conclusion. The best plans are the ones which focus on results and the worst plans are the ones which 'prescribe' specific methods."

The recent shifts in attitude by Energy Department officials should encourage retailers, and when the Federal Standby Conservation Plan is finally released, it is possible that the proposals will be acceptable to the retailing community.

Department officials frankly admit that they are looking for new ideas. Retailers should send their suggestions to the Energy Department's Office of Emergency Conservation Programs even though the official comment period has ended.

Parley Will Air Retail Credit

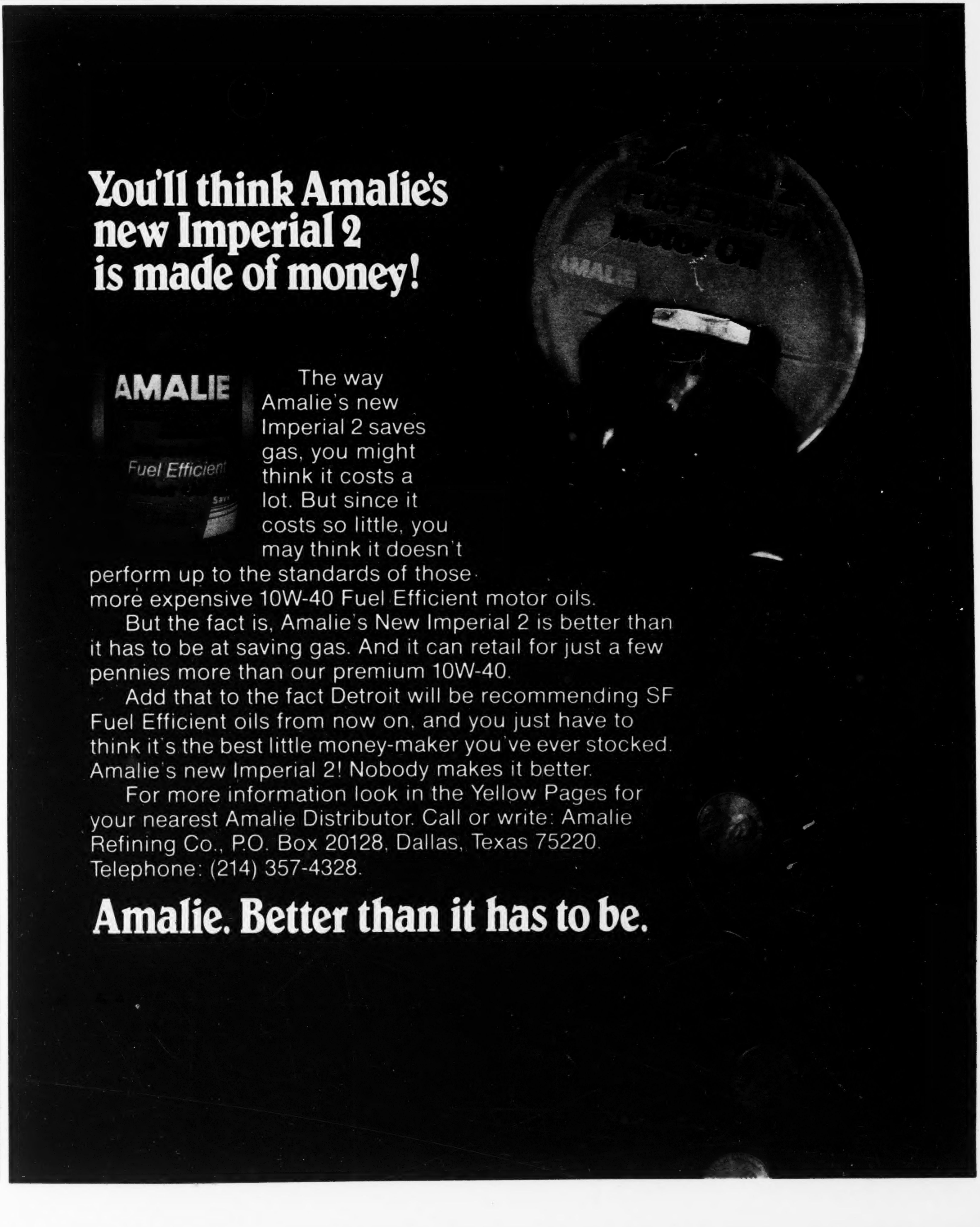
HOUSTON—A variety of informational programs concerning new developments in the area of retail credit will be offered here when the National Retail Merchants Association holds its 60th Financial Executives Division Conference in June.

"The Changing Structure of Retail Credit" will be the key presentation at the conference to be held in the Shamrock Hilton from June 1 to 5. Richard Kerr, operating vice president-credit, of Federated Department Stores, Cincinnati, will give the talk.

Those attending the conference will also hear a discussion on financial management in inflationary times to be given by Len W. Arensten, vice president and controller of Batus Inc., of Louisville, Ky., and Peter M. Fahey, vice president of Goldman, Sachs & Company, New York.

Other discussions will include the latest developments in the Employee Retirement Income Security Act and issues involving the Financial Accounting Standards Board.

Anyone interested can register by contacting the Financial Executives Division, NRMA, 100 W. 31 St., New York, N.Y., 10001. The fee for members is $175; $825 for five or more from the same firm. Nonmembers' fee is $250 each.



You'll think Amalie's new Imperial 2 is made of money!

The way Amalie's new Imperial 2 saves gas, you might think it costs a lot. But since it costs so little, you may think it doesn't perform up to the standards of those more expensive 10W-40 Fuel Efficient motor oils.

But the fact is, Amalie's New Imperial 2 is better than it has to be at saving gas. And it can retail for just a few pennies more than our premium 10W-40.

Add that to the fact Detroit will be recommending SF Fuel Efficient oils from now on, and you just have to think it's the best little money-maker you've ever stocked. Amalie's new Imperial 2! Nobody makes it better.

For more information look in the Yellow Pages for your nearest Amalie Distributor. Call or write: Amalie Refining Co., P.O. Box 20128, Dallas, Texas 75220. Telephone: (214) 357-4328.

Amalie. Better than it has to be.

Most of the Top 17 Discount Chains Boosted Sales, Earnings in 1979

Most of the top 17 chains recorded increased sales and earnings, with Zayre, Pamida, Wal-Mart and Heck's among those with the highest percentage increases.

K mart's sales topped $12 billion and earnings reached $358 million. Woolco the closest competitor, had sales of $1.9 billion. (Parent F. W. Woolworth does not break out Woolco's earnings.)

Bradlees' income was lower in 1979 than in 1978, but the chain attributed part of the decrease to its changeover to LIFO accounting procedures. Two Guys continued to reflect 1978 income losses. At Gee Bee, 1979's income drop was caused by an insurance recovery that had boosted the 1978 earnings.

Venture, which also saw an income decrease, said no new stores are planned for 1980. Only two went up last year. Remodeling and updating of existing stores are scheduled, however.

King's opened one new store in the current fiscal year and is not budgeting for additional units.

Jamesway gained 10 units in 1979 but plans only four for this year, two of which are already in operation.

Pamida opened one store in 1979, closed 10 and relocated three. Instead of new units, their thrust will be to internal expansion.

The year 1979 was an "open and shut" one for discounters: When they opened new stores, it often meant shuttering old, less profitable units. With a hopefully brighter economic picture for 1981, more discounters are again looking at the possibility of increasing their store count, but for now, some are just continuing the trend begun in 1978.

	Sales (add 000)		Earnings (add 000)	
Chain	1979	1978	1979	1978
K mart[A]	$12,249,000	$11,208,000	$358,000	$343,706
Woolco	1,895,000	1,710,000	N/A	N/A
Zayre	1,345,000	1,223,000	52,235*	38,630*
Wal-Mart	1,248,000	900,298	41,151	29,447
Target	1,100,000	898,671	N/A	N/A
Two Guys	733,363	702,377	(750)[B]	10,658
King's	576,176	540,608	15,494	15,067
Bradlees	540,057	493,033	14,948[C]*	16,021*
Caldor	562,800	475,733	19,500	15,471
Venture	536,000	461,000	8,000*	12,000*
Murphy's Mart	392,781	345,595	N/A	N/A
Big K	298,167	328,127	1,738	(418)
Pamida	333,463	318,800	3,053	528
S. E. Nichols	217,127	214,396	3,540	3,121
Jamesway	242,409	202,293	6,371	5,816
Heck's	215,000	179,000	32,000[D]	21,693[D]
Gee Bee	156,893	146,025	2,649	2,741
Total	$22,641,236	$20,346,956	$557,929	$514,481

[A] K mart sales figures represent discount stores; earnings figures are corporate.
[B] Includes previous year's losses, extraordinary income from sale of assets and operating losses carried into last completed fiscal year.
[C] Reflects $2,357,000 loss from change to LIFO accounting.
[D] Includes Heck's discount and shoe store incomes.
** Divisional operating income; N/A—Not available; ( ) Loss.*

Schott to Mgt.

(Continued from page 104)

competition is selling," Schott explained.

Among the changes Schott recommended are better incentives for buyers to remain in discounting and more diligent recruitment of buyers. All too often, he indicated, discounters lose the "cream-of-the-crop" buyers to other retail segments. As a result, Schott said, discounters end up "pirating" top-notch buyers from competitors, resulting in distinct similarities of merchandise mix among stores.

Jamesway's Lazarus will outline steps that the New Jersey-based discounter has initiated recently to better utilize buyers' time.

Execs Urge

(Continued from page 106)

tem.

"By centralizing rebuying at headquarters," Dennis said, "we were able to improve our turn by three."

Dennis, who will also discuss such issues as warehouse mechanization and computer support, noted that the emphasis on precommitment buying had enabled the chain to achieve better results with fewer people. The system also served to reduce warehouse sku's, he said.

Glass will cover backroom productivity, focusing on development of a flow-through system. "The backroom should be a processing area," he said. "Merchandise should be received, marked, and then flow right on through to the floor. Too many backrooms are used simply for storage, and this keeps productivity down."

Glass also urged specialization of backroom personnel. "People should be trained for particular jobs," he said.

To the Toro Power Shovel.™ This year's hot seller. And next winter looks even bigger.

Proven seller.
Example: Claber's Home Centers of Pittsburgh sold 379 Toro Power Shovels in 5 hours.

The Toro Power Shovel is the hottest innovation to hit the power equipment industry in years.

At $99.95* the Toro Power Shovel is perfect for people who don't like to shovel.
Why? Because it's perfect for walks, steps, porches, parking places. And perfect for the massive market of city people, apartment and townhouse people. Perfect for your customers. It's truly an idea whose time has come.

Proven selling power.
Backed by a massive Toro advertising investment. Proven powerful TV commercials, print and point of sale. And Toro has the best known name and quality reputation in the outdoor power equipment business. Toro is *the* name in the snow business.

Priced to shovel in profits.
At $99.95 suggested retail, the Toro Power Shovel is priced to trigger big buying...and big dollar profits. There's even added profit incentives for early orders, early stocking and volume orders.

Make room for the Toro Power Shovel. It's coming through.
One quick call to Toro or your Toro distributor delivers full details on the new Toro Power Shovel, its market promise and profits. Plus a demonstration. Call now. 612-887-8331 to get full details. The Toro Company, 8111 Lyndale Ave. So., Minneapolis, Minnesota 55420.

***Manufacturer's suggested retail price, subject to local dealer option.**

TORO

Touche Ross/DSN Survey of POS-System Users:

EDP to Play Ever-Increasing Role in Management and Merchandising

Nationwide DSN Survey

A recently completed point-of-sale (POS) terminal systems survey completed by Touche Ross & Co. and *Discount Store News* has underscored the information systems revolution that will dominate retailing in the 1980's.

In both operational and merchandising strategies for the coming decade, electronic gathering and interpretation of data will play an ever-increasing role in answering complex questions of sophisticated inventory management, maximizing return on investments and assets, and fine-tuning assortments to meet the needs of customers' rapidly evolving lifestyles.

The survey results are based on responses from thirty chains, operating more than 3,000 stores in six different regions of the country. Total sales volume for the sample exceeds $8 billion, and the sample includes parent corporations, subsidiary firms, and public and privately held companies.

Responses were received in almost equal portions from discount department store chains with sales in the $1 million to $50 million range, $51 million to $150 million, $151 million to $250 million, $251 million to $350 million and over $350 million. (See chart.)

	Fully POS-installed Chains	Partially POS-installed Chains
Typical Number of POS terminal systems per store		
—Range	5-50	7-30
—Average	17	15
Typical Selling Space in sq. ft.		
—Range	35,000 to 140,000	20,000 to 130,000
—Average	54,000	56,000
Average Selling Space per POS Terminal System, in sq. ft.	3,176	3,733

Chains with partial POS installations averaged close to 4,000 sq. ft. per terminal; fully POS-equipped chains hit 3,176.
(Touche Ross/DSN research)

Of those responding, 39% reported they were fully POS-installed, 42% reported being partially POS-equipped, and 19% reported no POS installations. Where a primary mainframe computer was in use, 64% of the respondents reported using an International Business Machines system, 14% an NCR system, 4% each reported using Burroughs or Wang equipment, and 14% use a service bureau.

In addition to using the POS terminal systems as cash registers, chains are processing reports at the mini-computer or terminal level (62% of the respondents), recording layaways (57%), tracking markdowns (52%) and making on-line transmissions of data to in-store computers.

Other uses, in descending order of frequency, are on-line transmissions to a central computer (33%), printing merchandise descriptions on sales slips (29%), capture of sales data on cassettes (24%), transmission of messages between stores (24%), tracking promotions on sales slips (14%), scheduling sales help on POS systems (14%) and getting bank credit card authorizations (10%).

A smaller percentage—5% in each case—use the POS terminal systems to capture sales help payroll data, track merchandise transfers and for big-ticket processing.

The versatility of even the current state of the art in POS systems is demonstrated by the 29% of the respondents who indicated "other" uses for the equipment.

Automated retail systems being utilized by the firms that have POS equipment were as diverse. Sales audits were made electronically by 64% of the responding firms, and flash sales information was captured by 73%. Systems for automatic sales analysis (91%) and sales help scheduling (9%) were also reported. On the purchasing side, purchase order management (18%) and big-ticket inventory control (9%) were reported, as were automatic controls for fashion inventories (64%), accounts payable (82%), staples inventory (55%) and open-to-buy (36%). Again, a high percentage of responding firms (27%) found "other" uses for POS terminal systems in automated systems on the purchase side.

Almost half of the companies surveyed are currently using machine-readable tickets or labels, including OCR-A (11%), print/punch (11%), magnetic (7%), black and white bar (7%), color bar (4%) and UPC (4%).

(When asked specifically about the future implementation of OCR-A ticketing or labeling, 24% of the respondents reported a one-year time frame for introduction of OCR-A, 26% reported either two- or three-year plans, and 13% were planning for five years away. The

(Continued on page 158)

Ways in Which POS Terminal Systems Are Used Currently	
Cash Register	100%
Register Balance	100%
Report Processing at Mini-Computer or Terminal Level	62%
Layaways	57%
Markdowns	52%
On-Line Transmission to Store Computer	52%
On-Line Transmission to Central Computer	33%
Printing Merchandise Description on Sales Slip	29%
Transmission of Messages Between Stores	24%
Sales Capture on Cassettes	24%
Promotions on Sales Slips	14%
Sales Person Scheduling on POS Terminal	14%
Bank Credit Card Authorization	10%
Transfers	5%
Big Ticket Processing	5%
Capture of Salesperson Payroll Data	5%
Other	29%

The variety of uses for which electronic POS terminal systems are programmed is shown in this chart of current usage.
(Touche Ross/DSN research)

sale!
sale!
TRAC II
TRAC II
TRAC II
TRAC II
TRAC II

Familiar bonded systems and faster-turning, higher-margin disposable razors dominate wet-shave displays like this one at Richway, Decatur, Ga.
(DSN photo)

Disposable Razors Sharp

Special DSN H&BA Report

Disposable razors could dominate the wet-shaver market in the near future—that from manufacturers and chains alike.

While double-edge and injector systems experience share-of-market losses, and bonded systems hold their own for discounters, disposables have the unit sales lead and run a strong third in dollar volume.

Generally higher margins, faster turns, inventory convenience and consumer demand for the lightweight plastic handles with bonded-in blades add up to the hottest wet-shave item for discounters in 1980, and most buyers see the trend to disposables continuing. Backing them are manufacturers' promotions for new models and improved packaging.

"We're really getting behind disposables because of the dollar factor," said a Wal-Mart spokesman. "I thought they would be a here-today-gone-tomorrow item at first."

A Jamesway buyer declared: "Nothing else in the category is growing like that. I'm getting some growth in the Atra blades, but disposables are a whole new market, with all the recent introductions."

Those include multiunit packaging, pivoting head, ladies' and twin-track models.

"The whole category is going bananas," said a buyer from S. E. Nichols, where sales of bonded systems have dropped considerably.

(Continued on page 24)

Four Discounters Freeze Prices On Some Food and Drug Items

NEW YORK—Four major discount chains with more than 250 stores nationwide have imposed price freezes on some food and drug items as part of a voluntary Federal program to shield the consumer against skyrocketing inflation.

The chains—FedMart, Rink's, Venture and Target—imposed the price freezes last month in response to a request from the White House. They will remain in effect 60 to 90 days.

The products and prices frozen vary from chain to chain, and include basic items such as spaghetti, tomato sauce and shampoo at FedMart, and generic prescription drugs and other items at all four chains.

"We're not sure if we can keep it up after 90 days," explained William E. Sliney, FedMart executive vice president, "but taking this stand is something we felt we had to do to carry on the fight against inflation."

Officials of the chains said some of their prices had already been frozen by suppliers complying with the White House request.

However, they said they are absorbing the increases passed along by other manufacturers, and writing letters to them urging that they also participate in the voluntary price-freeze program.

"We had some increases that were scheduled to take effect April 1," said Stan Heller, Venture's director of pharmacy, "but we decided that we were going to take a stand and absorb these increases."

Midge Shubow, a spokesman for the White House's consumer affairs office, said the four firms were believed to be the only discount chains among the approximately 164 food and drug manufacturers and retailers that were asked to participate in the program in March.

Food retailers were the first group asked to participate. But, she said, drug retailers in the Washington, D.C., area quickly followed suit, and on March 19 a second letter was mailed asking 24 pharmaceutical manufacturers and 90 gro-

(Continued on page 158)

Peterson's Price Plea Probably Will Include Discount Chains

WASHINGTON—White House Consumer Advisor Esther Peterson was planning at presstime to fire off price-freeze request letters to the nation's top department stores, general merchandise chains and "probably" discounters.

The Administration's call for a price moratorium on selected product lines comes on the heels of similar White House requests involving supermarkets and drug chains earlier this year.

In her letter—which will be sent only to the 50-100 largest "department store-type" chains—Peterson is not likely to set any ground rules for voluntary compliance by the chains, but will urge the broadest price freeze possible to help consumers cope with inflation.

Large department store and general merchandise chains will "definitely" be the targets of Peterson's program, but it's still not "100% sure whether we will include discount store chains as well," a White House official told *Discount Store News*.

"We're a little reluctant to ask the discount industry to participate in this program, because its prices are already so low," a Peterson aide said. "But, at this point we're leaning toward including discounters anyway."

Peterson met privately last month with representatives of a number of industry groups (American Retail Federation, Association of General Merchandise Chains, National Retail Merchants Association, etc.) to map out strategy for the latest price-freeze campaign.

"It was a very positive meeting and I think we'll get a great deal of cooperation from this industry," a spokesman for the veteran Presidential consumer advisor told DSN.

Originally Peterson had planned to send letters to the top chains late last month, but an illness disrupted that timetable.

1st '80 Qtr. Lags

Catalogers' '79: Biz Up, Net Down

Nationwide DSN Report

The year 1979 was a mixed one for catalog showrooms, with sales generally up—substantially so for a number of chains—but income down for most companies.

While none of the top publicly held catalogers reported a loss, only two, Best and H. J. Wilson, recorded higher earnings. The former was up 11.3% and the latter 12.9%.

Sales increases ranged from 12.5% for Jewelcor to 38.2% for Service Merchandise, and hit 62.7% for the United States division of Consumers Distributing. Earnings declines ranged from 12.4% for Service Merchandise to 92.5% for Sam Solomon.

The mixed results, together with continued weaker performances in the first quarter of 1980 and the industry's greater share of the general merchandise retail market, mean that the 1980 recession will impact catalog showrooms more than the one in 1974.

Catalog executives explained that the industry was so small six years ago that the recession passed by the showrooms. But,

(Continued on page 158)

Catalogers in 1979: Volume Rises, Profits Drop

(Continued from page 23)

the industry has grown, they added, so any general downturn in retail sales will also be felt by the showrooms.

The industry's current size can be gauged by the sales and earnings for 1979 reported by the top chains.

Best generated $794,948,000 in sales for the 53 weeks ended Jan. 5, up 25.8% from the $631,817,000 produced in the 52 weeks ended Dec. 30, 1978. Income went to $28,778,000, up 11.3% from $25,849,000.

Best's results were for a running 12-month period, rather than for a fiscal year, as the cataloger's fiscal year ends in June.

Service Merchandise in the fiscal year ended Dec. 31, 1979 hit $729,759,000 in volume, up 38.2% from $528,014,000. Net earnings dropped 12.4% to $19,463,000 from $22,228,000.

At H. J. Wilson, sales in the fiscal year ended Feb. 2 were up 20.6% to $256,394,000 from $212,614,000, while net income of $11,045,000 was 12.9% higher than the previous $9,783,000.

Sam Solomon's sales rose 26.7% to $88,034,300 from $69,461,400 in the fiscal year ended Jan. 26. But earnings plunged 92.5% to $124,600 from $1,665,600. A key factor in the income drop was a change in the method of accounting for store-opening expenses. The cataloger wrote off such costs as they occurred in 1979, as opposed to charging them over a two-year period in previous fiscal years.

Two companies have so far reported only total corporate revenues covering both the showroom division and the catalog publishing arm.

Modern Merchandising in the fiscal year ended Feb. 2 had sales of $678,820,000, up 29.9% from $522,518,000. Net income dropped 25.6% to $12,740,000 from $17,121,000.

At Jewelcor, total sales for the fiscal year ended Jan. 31, grew 12.5% to $168,496,000 from $149,712,000, while net income dropped 39.7% to $1,160,000 from $1,923,000.

Sales Up

Consumers Distributing, which is a Canadian company, reported that sales in the fiscal year ended Feb. 2, for its United States division (in U.S. dollars) were $189,000,000, up 62.7% from $110,000,000. Total corporate volume (in Canadian dollars) was $553,800,000, a 60.9% jump from $344,200,000. But income declined 21.5% to $9,500,000 from $12,100,000.

The major catalogers maintained their strong sales growth because of new stores and higher volume from older, maturing units. Service Merchandise, for example, added 17 showrooms to hit 101; same-store sales, at the same time, increased 11.1%.

The pressure on operations that resulted in most of the companies reporting earnings declines was traceable to a number of factors.

Harold Roitenberg, chairman of Modern Merchandising, cited higher interest expenses which increased 56.2% to $14,993,000, and lower gross margins.

Promotions Upped

The latter reflected more aggressive price promotions to maintain sales; lower jewelry volume as a percentage of total sales due to higher gold prices, and a shift to lower-priced goods in general. The company's gross profit went down to 23.9% from 25.9%.

Raymond Zimmerman, president of Service Merchandise, said that "any attempt in the pricing area to respond fully to these [merchandising and operational] pressures was of necessity limited by the very nature of the catalog showroom industry and its basic economics. Some response, of course, was possible. However, the unlimited ability to recoup inflationary pressures through increased pricing wasn't a viable alternative."

He noted that the company chose to honor the commitments reflected in promotional prices in flyers for a number of jewelry items. The firm's adpriced "tru special" items in general "sold in larger proportion" than projected.

The cataloger's gross margin dropped to 23.1% from 24.7%.

Best, in its running 12-month period, was able to maintain tight control of its operation. Gross margin showed only a miniscule drop to 21.3% from 21.8%. The end result was higher net earnings.

But Best's results for the quarter ended March 31 also presage the difficulties that face catalogers. Its sales of $132,400,000 were up 39.4% from $95,000,000, but its net loss exploded to $4,236,000 from $93,000.

A Best executive said that the "surprising" loss reflects the impact that inflation has had on the cataloger.

He noted that Best had switched to LIFO and this accounting change magnified the loss. The LIFO provision for the quarter was $7,725,000 compared with $759,000 in the period last year.

The only positive result of the LIFO accounting, he added, is that Best will have to pay about $9 million less in taxes

Inflation also adversely affected Service Merchandise's income but the cataloger's use of FIFO lessened the impact.

Service Merchandise's sales for the quarter ended March 31 of $130,734,000 were up 39.1% from $93,999,000, but the net loss rose to $974,000 from $589,000.

EDP to Play an Ever-Bigger Role

(Continued from page 23)

balance of the respondents were already using OCR-A.)

The most common application of the machine-readable tickets was manual, keying the information into a POS terminal system, reported by 33% of the respondents. The next most frequent application was the use of a batch reader (22% of the firms reporting), followed by machine reading (wand, scanner or other reader) at the POS terminal, at 15% of the reporting firms.

Other applications of the machine readable tickets included manual processing for batch system entry (11%), and manual keying at optical font or punched tape registers (7% in each instance).

Installation of additional POS terminal systems is planned at the rate of more than 10 stores a year by a majority—54%—of the respondents. Six to 10 stores a year will be equipped by 20% of the respondents, and the balance report plans to install the POS terminal systems in four or five stores a year. Most (almost two-thirds) install on a store-by-store basis, while the rest do several stores concurrently.

The decision to make the POS terminal system installation is based almost as much on opportunity (a new-store opening was listed by 55% of the respondents) as on anticipated dollar savings, which was cited by 73% of the respondents. Replacement of mechanical cash registers is another opportunistic decision point for 45% of the respondents, and competitive pressure was cited by only 18% as a factor in the decision.

The average cost of installing POS terminal systems in a typical unit of the responding firms (to the point of being able to receive sales transactions at a central computer facility) is $107,000 for those firms that are fully POS-installed, $91,000 for those only partially equipped. The range reported was $38,000 to $286,000 for fully equipped chains, $18,000 to $168,000 per store for partially equipped chains.

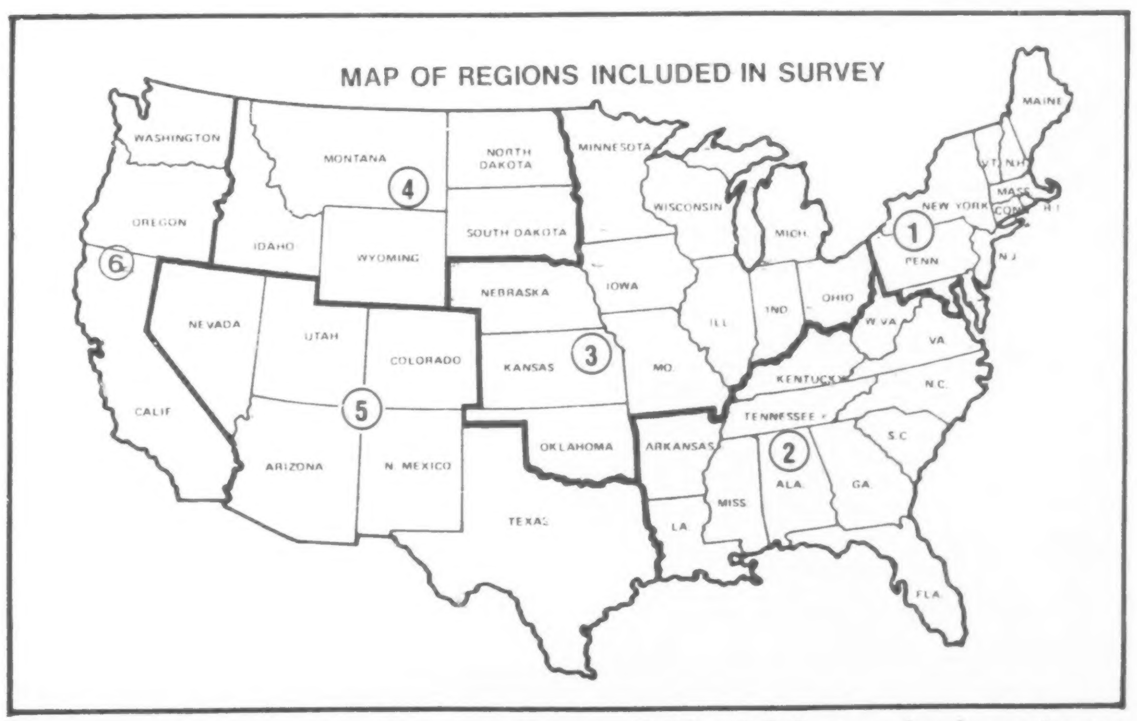
The average per-store cost of $107,000 for fully POS-installed chains is for an average of 17 POS terminal systems per store (range, 5-50 POS terminals) in an average 54,000 sq. ft. of selling space (range 35,000-140,000), or 3,176 sq. ft. of selling space per POS terminal system.

In those chains that are partially POS-installed, the average number of terminals dropped to 15 (range 7-30) in an average 56,000 sq. ft. of selling space (range 20,000-130,000). The average selling space per POS terminal system in these chains (partially POS-installed) rose to 3,733 sq. ft.

Executives tapped to head up POS installations include electronic data processing or management information systems specialists in 39% of the reporting firms, store operations executives in 30% of the chains, special projects executives in 9% of the reporting chains and "other," unspecified executives in 22% of the chains.

Net Annual Sales Volume Range of Survey Respondents in Millions				
$1-$50	$51-$150	$151-$250	$251-$350	Over $350
27%	23%	13%	17%	20%

Responses to the Touche Ross, DSN survey came in almost equal numbers from chains in every volume range, and from every part of the country. (Touche Ross/DSN research)



Respondents to the Touche Ross /DSN POS terminal systems survey operate 30 discount department store chains, more than 3,000 stores, in six regions of the country.

Editorial: Time For Action

(Continued from page 1)

must become more productive. Shrink control and warehouse operations need close scrutiny.

And, a Government which seems not to understand business at best—and which appears openly hostile at worst—will have to be contended with on a daily basis. These regulations, proposals and confrontations will require capital, just as nonproductivity wastes it.

Not surprisingly, these topics are on the convention agenda. Like we said, we've got some of the best minds this week. Together, we can develop meaningful solutions to many of these problems.

This is an introspective time for the entire nation. The failure in Iran, a crumbling foreign policy, the erosion of support among our "allies" in Europe and the frustrating inability of our Federal Government to turn our economy around all are weighing heavily on the minds of many of us.

That's why it is particularly refreshing to be in a position to take positive action. We can this week. Let's put our heads together, pick each others brains and exchange ideas.

Discounting is an industry of achievers. Those achievers are in New Orleans this week. Together, you achievers can begin your walk through the 80's in a positive manner that leaves no room for panic—or failure.

It's a "Time of Change," indeed. Let's look at the 80's as a time of opportunity. Discounting's message is right. It's a matter of coolly developing the controls.

Good luck.

—**Stuart J. Horton**

Gals Polled

(Continued from page 2)

price-stickered cartons instead of from individually tagged goods stacked singly on shelves.

Also significantly, 86% of the shoppers polled anticipated that credit cards would soon become an accepted practice in consumers' food buying. As a sidelight, 40% of the respondents indicated that they expected to buy a microwave oven by 1985.

Interestingly, 87% of the women polled expected gasoline prices to skyrocket to $2.50 a gallon by 1985, but only 20% said this would cause them to change stores.

The food chain executives who also participated in the study, however, observed that the steadily rising cost of gasoline had already limited the distances customers were willing to travel, and the executives anticipated a greater consumer effort to make shopping a one-stop task in the 80's.

4 Discounters Ice Some Food and Drug Prices

(Continued from page 23)

cery manufacturers to freeze their prices.

About half of those who were sent letters agreed to freeze temporarily at least some of their prices, she said.

Venture's price freeze took effect April 1 and included all prescriptions, including both generic and nongeneric drugs. It will remain in effect until June 30.

The FedMart freeze, initially to have covered 80 of the chain's "bright yellow wrap" generic food items, began in early April and will last for 90 days.

Sliney said executives of the San Diego-based chain decided on April 23, however, to also freeze all generic drugs until July 21.

Major brands and other FedMart PL goods will not be frozen, he said.

Target, which has 86 discount stores in 11 states, announced a freeze on generic and other drugs that will remain in effect until June 30. The freeze was imposed in response to the Federal request, chain officials said.

Rink's, the Ohio-based chain operated by Gray Drug, announced a 60-day freeze on some private label items and on some generic prescription drugs. (Other story, p. 120.)

Gray's "Own Brand" items such as diapers, shampoo, creme rinse and other products sold at Rink's and Gray's stores came under the freeze. But an official of the chain said that the Rink's store brand did not.

A spokesman for the firm said letters were sent to vendors encouraging them to also freeze their prices.

She said that although its program of encouragement for vendors to freeze prices was going "fairly well" and had "lots of support," an exact tally of how many had decided to participate would not be available until sometime this month.

Officials of the chains said they were uncertain whether the freezes would be continued past their expiration dates.

It all depends, the officials said, on how successful they are in curbing any price increases.

Shubow said it was unlikely any additional discount chains were sent the letter.

She said, however, that it is possible Esther Peterson, special assistant to the president for consumer affairs, may send the letter to other segments of industry—including discount stores—at some future date.

One company headquartered in Boston said it doesn't intend to freeze prices in its supermarkets.

Spokeswoman Deborah Ianotti said the Stop & Shop Companies feels participation would create an oversimplified public impression that retail stores have great control over the prices they charge. Such an impression could pave the way for mandatory controls at a later date, she said.

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Housewares Outlook: Pp. 6-7

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Prexies Predict 80's Will Produce Pluses Besides Perils

NEW ORLEANS—The emphasis was on silver linings at the NMRI convention's President's Roundtable, as all participants acknowledged the perils of the next 10 years but pointed out that each challenge is also an opportunity.

In a departure from previous Presidents' Roundtable formats, discounters Jack Shewmaker, Wal-Mart, and Marshall Hess, Fisher's Big Wheel, were joined by associate members David M. Tracy, Fieldcrest division, Fieldcrest Mills, and Paul W. Van Orden, consumer products division, General Electric. David Banker, Lechmere, moderated.

In five-minute opening addresses, the participants outlined their appraisals of the business climate in the next 10 years, each of them stressing the opportunities that rapid change will offer retailers and vendors alike.

More NMRI Convention Coverage: See Pp. 2, 11

"We are on the verge of some of the greatest developments in communications and electronics we have ever experienced," said Shewmaker. "Microprocessor chips, fiber optics, lasers, satellites and home computers will change the means of communicating and operating our stores and homes to such a degree that current cash registers, communication systems and customer services will be completely outdated within the decade.

"I believe that great strides can be made in productivity by retailers and vendors working closely to improve planning, scheduling and operating efficiencies."

Shewmaker went on to cite, as an example of an opportunity created by some of the changes he sees coming, the adoption of

(Continued on page 4)

WELCOME NMRI
A TIME OF CHANGE
NATIONAL MASS RETAILING INSTITUTE

Jack Shewmaker, president of Wal-Mart, speaks his piece at the Presidents' Roundtable while Dave Banker (Lechmere president), David Tracy (Fieldcrest), Marshall Hess (Fisher's Big Wheel president) and Paul Van Orden (GE) wait their turn. (DSN photo)

Winter Outdoor Sporting Goods Wrapup

Ice Skates Score But Nice Weather Hurts

Nationwide DSN Report

Sales of ice skates—spurred by publicity over the United States' multiple-gold-medal Olympic speed skater and champion hockey team—provided one of the few bright spots in a winter that was generally slow for outdoor sporting goods sales.

But, buyers in discount stores are predicting a quick recovery.

Explained a buyer for Woolco: "I expect a normal winter. We just couldn't have two in a row like that."

Highlighting the projected improved sales, according to a sampling of buyers, will be high-velocity movement of cross-country ski equipment, ice skates and outerwear.

It may also be a good year for hockey equipment. At least one major chain, Woolco, said it experienced a surge in sales of hockey equipment after the Olympics.

Buyer Donald MacMillan said the items that were generating the greatest interest were skates, sticks selling for $7, a plastic face protector for $5 and goal sets that sold for $20 to $30.

"What hurt sporting goods sections the most last winter wasn't so much the warmer temperatures," explained Prange-Way buyer Terry Kilgore, "as the lack of snow."

Kilgore said his chain was particularly affected by the weather. Last winter was the warmest one for Wisconsin in 20 years and the driest in about 40, he said.

With "zero snow," Kilgore said, even cross-country skiing—undergoing a nationwide surge in popularity—failed to go as well as expected.

Kilgore and buyers for other chains said there are many reasons why the sales of cross-country equipment should improve this year—if snow falls.

High gas prices will keep people close to home, while the increased concern for health and exercise will get them out

(Continued on page 4)

Discounting Week

NEW KORVETTES HEAD. Agache-Willot's Joseph Ris was due at presstime to be named chairman of Korvettes, succeeding Alain Mathieu. He had been an exec in the Paris office of Chrysler before joining Agache-Willot, Korvettes' parent.

FURR-MED UP. K mart has completed its acquisition of Furr's Cafeterias through a merger with a wholly owned subsidiary.

ON THE AIR. Jamesway's legal troubles were aired on local TV here last month when the staff of ABC's "Good Morning New York" invited *Trenton Times* reporter Gail Scott to discuss her investigative writing on the New Jersey-based chain's store security procedures. Scott charged that the chain's restitution practices in shoplifting cases border on extortion. Jamesway officials declined to appear on the show.

Will Two Guys, Under Roth, Take Retailing or Real Estate Route?

By Arthur Markowitz

DSN Analysis

GARFIELD, N.J.—Where is Two Guys going?

Will the financially troubled chain, which just opened its first new store in three years, remain committed to retailing or eventually go the potentially more profitable real estate route?

The answer could come at the annual meeting, due to be held at presstime, at which executives of Interstate Properties, a real estate company headed by Steven Roth, were scheduled to take control of the board of directors of Vornado, Two Guys' parent.

Interstate's move to increase its representation from three to five of the board's nine seats—agreed to by the previous management group in April—would end Frederick Zissu's long domination of the company, although he is expected to continue as board chairman and chief executive officer.

Vornado executives asserted that despite the changing of the guard, the company is "committed to the development of its retail business in its core areas of metropolitan New Jersey and New York" and cite the new Freeport, N.Y., store as the prototype Two Guys of the future.

But, trade observers counter that the company, having suffered more than $40 million in operating losses during the past four years, would be better off as a real estate firm, with its sites and stores developed as shopping centers and leased out to other retailers, with Vornado possibly retaining any ongoing Two Guys stores.

This type of development is planned for the dozen Greater Philadelphia area stores leased to Montgomery Ward for conversion to Jefferson stores. Zissu, in the annual report, stated that "the company owns additional space and land

(Continued on page 22)

First New Two Guys in 3 Years Gives Apparel Bigger Role

FREEPORT, N.Y.—Two Guys has shifted its traditional emphasis on hard lines to one more heavily weighted in favor of apparel in a new 110,000-sq.-ft. store that opened here last month. It is expected to be a prototype for future units.

The new store, the first to be opened by the financially beleagured chain in more than three years, features a 16-ft.-wide racetrack and a floor plan that puts apparel and jewelry in a central core area opposite the front door.

Extensive use is also made of elaborate clothing displays that include 20-ft.-high "tower units" and waterfalls.

Store officials said the changes are intended to cause a "significant" increase in the movement of apparel while not diminishing hard line sales.

The change in emphasis came as officials of the discount chain fought to erase a 1979 operating deficit of $750,000, and as its board of directors considers closing stores outside the New York-New Jersey metropolitan market.

Executives at the chain's headquarters in Garfield, N.J., said while it is still too early to tell the effects of the new market strategy, they are confident of it, and have already begun to

(Continued on page 26)

DESIGNER JEANS
17.90

Woman flips through racks of jewelry in the new central core area of the recently opened Two Guys, Freeport, N.Y. Apparel is to left and right. (DSN photo)

NMRI CONVENTION COVERAGE

Davidowitz: Make Computers 'Work'; Build Liquidity

NEW ORLEANS—"The 80's are the age of execution," Howard Davidowitz, director of national retail consulting services, Ernst & Whinney, told the NMRI convention.

Urging discounters to recognize that the 80's are going to be a time of marked change, Davidowitz said: "The winners will be the winners because of the decisions they make."

Foremost among the decisions Davidowitz envisions are moves to make the sophisticated computer hardware bought in the 70's "really work."

"The only reason to install a computer is to change someone's behavior," the industry consultant told the crowd, "yet few of you have done that. Rather, it seems as if you take the computer printouts and recopy the data into your old books."

Innovative Technique

In the 80's, Davidowitz predicts discounters will finally learn how to lasso computer technology so that by 1983-84 retailers will be actively and accurately using their electronic hardware to stay in stock.

Liquidity will also be of vital concern to discounters in the coming decade, according to Davidowitz.

"Retail success in the coming years will be based on management's ability to figure out how to build a liquid business," he said. "Companies will no longer be able to grow on debt that can't be paid back swiftly."

Borrowing will be particularly limited, he added, as retailers find they are competing for more limited (loan) funds with financially troubled manufacturers and deteriorating American cities.

Davidowitz also predicted that new key positions would be created in discounting's executive suites in the 80's. Most notable, he said, would be the emergence of a director of marketing whose job will be to create more distinct (visual) identities in the marketplace for their chains.

"With competition heating up, with the higher cost of energy, and with consumers starting to limit the number of shopping trips they make each week, your store's visual presentation is going to be more important than ever before," he said. However, this does not necessarily mean that every chain must upscale its merchandise presentation. Rather, it means recognizing your identity in the marketplace, accentuating it and capitalizing on it.

Another job function Davidowitz suspects will become more crucial in the coming years is the role of the personnel manager.

Chains will have to hire the right people for the right job in the 80's, he said. The days of saying that anyone can be a hardware buyer are over.

"Productivity is going to rely directly on a chain's ability to

(Continued on page 21)

"Retail success in the coming years will be based on management's ability to figure out how to build a liquid business."—Howard Davidowitz, Ernst & Whinney.

Buyers Are Urged to Be Creative Artists To Meet Competition of Specialty Chains

NEW ORLEANS—The buyer of the 80's will have to be more than a buyer; he will have to be an artist if discounters are to meet the competition of specialty operations.

That was the theme followed by George Jeffers, Cook United president; Richard Schott, president of Merchants Buying Syndicate; Arlie Lazarus, Jamesway president, and Stephen Goldberger, Hills vice president-merchandising and sales promotion, at the NMRI convention's third session, "Optimizing Buyers' Time."

The panelists (and those in attendance, judging from comments among the SRO crowd) agreed buyers would have to treat each department like a specialty store to capture more discretionary customer dollars.

Moderator Jeffers and panelist Schott told the audience that buyers must adapt. Panelists Goldberger and Lazarus explained how to do it.

Schott said that perfecting the art meant cutting down paperwork, streamlining duties, making more visits to manufacturers and gaining better product knowledge.

"The buyer for the 80's will be a creative buyer, an artist—and unfortunately this will cost more," Schott said.

Jamesway introduced a merchandising division to train clericals to assist buyers in 1975, and today the chain's buying organization includes 21 buyers among 83 personnel.

Since the merchandising control division was created, other buyer-relief measures have been implemented. For example, EDP reports are sent to merchandise managers, traveling specialists have been enlisted, and assistant buyers trained.

By eliminating tear-off sheets and running more preprints, Jamesway tries to free buyers' time. Chain studies have shown hard and soft line

(Continued on page 6)

Security Survey to Be Repeated, Refined in '80

NEW ORLEANS—The 1979 survey of security practices in mass retailing conducted by Arthur Young & Co. for the NMRI will be repeated in 1980.

The announcement was made at the convention's session 5: "Shrinkage Control and Security in the Mass Merchandising Industry," moderated by Eric Zorn, vice president and director of security at Jamesway. Errol Cook, a partner in Arthur Young & Co., and Christopher Conroy, an audit principal of the same firm, made the presentation.

After Conroy's short synopsis of the 1979 survey findings, which were first released in January at the NMRI top management conference and which have been printed in *Discount Store News*and other trade publications since, Cook outlined some changes planned in the 1980 survey document, tentatively set for October distribution.

More detailed information will be developed in the 1980 survey, including department-by-department data and more emphasis on developing cost-benefit relationships.

The refinement of the survey questionnaire will include comparisons with the data developed from the 1979 survey, and an expanded data base. Specific questions will be asked on the role of internal auditors, the types and numbers of different kinds of store security personnel, and the percentage of shrink that may result from paperwork deficiencies rather than from theft.

Also to be included in the 1980 questionnaire are employee screening procedures, for both security and non-security newly hired personnel.

The intent of the refinements is to produce data that can assist in determining the most cost-beneficial reallocation of control measures.

Vendor-retailer relationships relative to concealed shortages was the topic of questions from the floor. The suggestion was made that some effort be made in the survey document to establish a possible correlation

(Continued on page 26)

Willie Mays, NMRI Athletes Have a Ball

NEW ORLEANS—Willie Mays and discount industry sports enthusiasts shared the spotlight at the NMRI's sports luncheon here

It honored those NMRI members who turned out for the tennis and golf tournaments, the 10-kilometer marathon and the 2-mile fun-run.

Baseball Hall of Famer Mays, the luncheon's keynote speaker, amused the crowd with the humorous references to his transition from baseball star to businessman.

Following are the sports event winners:

In men's tennis, Thomas Groenings, W. F. Hall Printing Co., and John Horn, Boye Needle Co. (a division of the Newell Cos.), shared top honors in the A division doubles tournament. George Rockwell, Remington Arms, and Arthur Maier, K & M Jewelry, were the runners-up.

Among the B division players, Peter Grundell, Schreiber Co., and Leopoldo Mares, Futurama, were first- and second-place winners, respectively. Herb Leibowitz, Willow Hosiery Co., and Peter McIlroy, Management Horizons, were runners-up.

Harry Kunkel, No Nonsense Fashions, and Mark Danner, Danners, took first place in the C division, while Jerry Rosenberg of R. N. Koch, and Lee Brewer, Polaroid, were runners-up.

In women's doubles, the team of Ernee Mayer and Kathy Rafferty won first place among A-ranked players. Pat Shaw and Susan Robard were runners-up.

Fred Barney, Gray Drug president, lines up a shot at the ninth hole during NMRI's golf tourney. Waiting to play: Pete Sikkel, Dupont (l.), and Irwin Lakin, Spencer Shoes. (DSN photo)

Arlene Gugick and Dolores Marten took first place in the B division doubles, followed by runners-up R. Kutzman and Karen Nadler.

Helen Walton and Sandy Musgrave took first place in the C division, while Audrey Cooper and Anita Ross were runners-up.

More than 40 conventioneers turned out for the nine-hole golf tournament.

Sam Papps, Gillette, and Herb Gilman, president of Ames, were first- and second-place low net winners respectively, while Hal Pettitt, T.G. & Y., Hank Rapsis, Coca-Cola, and Bill Gross, Greater Buffalo Press, were the top three low gross winners.

Bill Gross and Marty Nadler of R. N. Koch, also picked up trophies in the driving contest.

The New Orleans Track Club, Barkers, Pepsi Cola and *Discount Store News* cosponsored the 10-kilometer (6.2-mile) marathon and the 2-mile fun-run through the streets of New Orleans. Twelve hundred conventioneers and other run-

(Continued on page 8)

In This Issue...

SPEAKING OF THE ECONOMY. There is good news in DSN's housewares outlook and not-so-good news in the hardware PMA. March '80 vs. March '79 readings show hardware sales lagging. Meanwhile, housewares has proven an almost recession-proof category in the last 10 years.

In housewares, a review of manufacturers' sales to retailers over the past decade shows strong results by discounters, even during recession periods.

One explanation: More consumers shop at discount stores during a recession.

This trend should continue, and balance the effect of inflationary wholesale prices. (p. 6)

LOOKING AHEAD. One way to cope with tight money across the board is with planograms. This issue's Touche Ross series installment explains the benefits and strategies. (p. 12)

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Vol. 19, No. 11 June 2, 1980

Do Much Better Than Sears, Penney, Ward

Discounters' First-Quarter Biz Steady But Softening Creeps Into April

Nationwide DSN Report

Discount store sales held steady in the first quarter, but the weakening economy and an early Easter resulted in a softening pattern developing in April. Some chains reported a drop in volume for that month against a strong April 1979.

Discounters overall did much better than the Big Three—Sears, Penney and Ward—each of which had a sales decline in April. Only Penney reported a slight (0.6%) increase for the quarter.

The big gains reported by such discounters as Wal-Mart, up 32%; Jamesway and T.G. & Y., each with a 23% increase, and Caldor and K mart, with 14% hikes, reflect new-store openings by these chains, inflation and small same-store increases.

The small same-store gains for the quarter and the mixed April results are seen as signs that ripples from the economic downturn are starting to reach some discounters.

Wal-Mart performed the best among discounters by recording 32% increases for the quarter and April, with the month's sales at $119,000,000.

The top discounter, K mart, had a 14% jump for the quarter and an 11.8% gain for April when volume hit $1,042,474,000.

The mixed results were evident at Jamesway which had a 23% boost for the quarter, but a 5% same-store gain. Volume, for the four weeks ended May 3, of $78,450,000 was up 12%.

Among the discounters that had quarterly gains, but declines in April, were Zayre, Venture and Murphy.

In Zayre's case, the 6.8% quarterly boost was offset by a 5.9% decline to $100,941,000 for the four weeks ended May 3.

A 5.2% quarterly gain for Venture culminated in a 2.8% sales decline for the four weeks ended May 3, to $38,200,000.

Murphy's small 1.4% quarterly gain ended in a 1.9% drop in April as sales declined to $57,000,000 (but from fewer stores in this case).

The Big Three results for the quarter had Sears down 0.2%, Ward off 2.6% and Penney up 0.6%. All three had declines in April: Sears 4.3%, Penney 5% and Ward 5.4%.

Chain	1980 (Qtr.) ended	First-quarter sales 1980	1979	$ gain	% gain	Same-store % sales gain
K mart*	4/30	$2,982,978,000	$2,616,647,000	$366,331,000	14	6
T.G. & Y.	4/26	337,937,903	274,684,912	63,252,991	23	14.04
Zayre* (a)	4/26	330,716,000	309,657,000	21,069,000	6.8	6.8
Wal-Mart	4/31	314,000,000	238,000,000	76,000,000	32	12
Murphy's Mart*	5/1	168,345,000	165,942,000	2,403,000	1.4	—
Two Guys (b)	4/26	119,560,000	113,155,000	6,405,000	5.7	5.3
King's	5/3	118,940,838	106,590,271	12,350,567	11.6	—
Caldor	4/26	116,881,000	101,852,000	15,029,000	14.8	—
Venture	5/3	113,500,000	107,900,000	7,600,000	5.2	3.8
Heck's*	3/31	87,006,800	73,782,500	13,224,300	18	—
Jamesway (a)	5/3	55,286,000	44,586,000	10,700,000	24	5
Twin Fair*	4/1	47,042,000	44,011,000	3,031,000	6.9	—
Gee Bee*	5/3	35,150,673	32,113,067	3,037,606	9.5	flat
ALCO*	4/27	34,200,000	33,500,000	700,000	2	(2)

**Total corporate sales. ( ) Loss.*

(a) Excluding leased department sales.

(b) Corporate sales, excluding leased department sales and volume from 12 stores sold to Montgomery Ward.

Fourteen discounters did $4,861,541,000 in the first quarter and averaged a 12.4% gain as industry volume held steady despite the weakening economy.

Some Mfrs. (More Expected) Ice Prices

WASHINGTON—A number of leading discount chain suppliers have voluntarily frozen prices on their major product lines, and others are expected to follow suit soon, White House officials told *Discount Store News*.

The actions, taken in response to Presidential Consumer Advisor Esther Peterson's call for price restraint by selected industries, involve a diverse array of product categories ranging from children's apparel to back-to-school stationery.

The manufacturer price freezes are "particularly significant because we haven't even formally contacted this [general merchandise] segment yet to ask for their cooperation," an aide to Peterson said.

Earlier this year the White House consumer affairs chief asked for and received price restraint pledges from dozens of top supermarket and drug chains as well as their major suppliers.

Peterson decided to extend similar price freeze "invitations" to more than 50 top general merchandise department store and discount chains, but those letters had not yet been sent at presstime.

Good Possibility

"The fact that general merchandise suppliers are beginning to implement these price change moratoriums even before we get our program off the ground is an indication that we're going to get a lot of cooperation from this industry," a White House aide maintained.

As of last month, at least four firms had announced temporary price freezes:

- American Greetings—a six-month lid on greeting card price increases to retailers;
- Berol USA—a 150-day freeze on pens, pencils, markers and

(Continued on page 4)

Rink's, Gray Copy Vendors' Freeze

CLEVELAND—Rink's and its parent Gray Drug have frozen shelf prices on merchandise from 33 suppliers who have frozen prices.

The price freeze on these vendors' goods is in addition to Gray's freeze on its private label items and generic prescription drugs, already in effect.

The 33 suppliers include:

A. H. Robins, Bonne Bell, Bristol Labs, Burroughs-Wellcome, Chesebrough-Pond, Combe, Coty, Del Labs, DeVilbiss Health Care, Evenflo, Helene Curtis Industries, ICI Americas, Jung Products, Leeming/Pacquin, McNeil Labs, Merrell-National Labs, Miles Consumer Products, Nestle-LeMur, Norcliff Thayer, Ortho Pharmaceuticals, Parke-Davis, Penwalt, Sandoz Pharmaceuticals, Shulton, SmithKline & French Labs, Syntex Labs, J. B. Williams, Mentholatum, Wella, Union Carbide, Vick's Toiletry Products, William H. Rorer, and Youngs Drug Products.

Walton Ads, Pamphlets Urge Attack on Energy Problems

BENTONVILLE, Ark.—If Sam Walton, chairman of Wal-Mart has his way, thousands of Wal-Mart customers will join him in a grass-roots letter-writing campaign urging President Carter to refocus the nation's energy resources management.

Walton inserted a signed, full-page advertisement in 15 newspapers throughout his trading area, warning in bold headlines: "If you and I don't solve the energy crisis, OPEC will solve it for us."

The advertisement was followed by a four-page pamphlet that was inserted in customers' bags at checkouts in many of the Wal-Mart stores, containing the same warning and adding a list of Senators, Representatives and Congressional committee members to be contacted.

In both the ad and the stuffer, Walton warns that the nation is "in serious trouble" and suggests that all-out use of our vast coal reserves should get priority attention in the formulation of a comprehensive energy policy.

Nuclear power and synthetic fuel development are also urged, as is energy conservation, to "develop a self-sufficient energy program for America, and free us from the OPEC oil cartel."

See editorial, p. 8.

Walton reported that early feedback to the ad has been 100% supportive. He plans to monitor the public's reaction, seeking confirmation from the Congressmen involved (who have been alerted to the project), with an eye toward implementing a full-scale campaign in all Wal-Mart stores later on.

"If the campaign is as successful as I think it will be," Walton explained, "we'll follow it up with specific suggestions for new legislation that will encourage formulation of a comprehensive and effective energy policy for the country."

Asked about the possibility of confrontations with antinuclear activists, or anticoal environmentalists, Walton agreed that "some folks will disagree with my proposals. But every businessman has an obligation to speak his mind on an issue as important as this."

Walton counters the complaints of environmentalists in his ad. He calls for immediate industrial conversion to coal; more atomic-power-generating capability, and faster development of domestic oil production on Federal lands.

He then asks: "Would such a program harm the environment?"

"Absolutely not," claims the ad. "Unless these steps are taken soon, our people will wind up cold, hungry and unemployed—and what kind of environment is that?"

New Jefferson Trims Hard Lines To Fit Format in 60,000 Sq. Ft.

By Iris Rosenberg

HALLANDALE, Fla.—Tight, innovative merchandising has helped Jefferson wedge its basic 100,000-sq.-ft. format into a 60,000-sq.-ft. store here.

The unit, which opened last month, is one of 11 J. M. Fields stores the Miami-based chain picked up last summer (for $1.4 million) when the bankrupt discounter auctioned off its holdings.

"This isn't a prototype store," said Joel Peney, senior vice president, sales promotion. "We just did what we had to do to get all of our classifications into the store."

What they did, according to Peney, was to tip the store's merchandise mix in favor of soft goods, scaling back on the size and sku count of the lawn & garden, toy, sporting goods, furniture, hardware and housewares departments. To further support the new 60-40 ratio (55 hard lines/45 soft in other stores) the chain added higher gondolas (in the cut-back hard lines departments), careful planogramming and a new look in store design.

"This is the first time we got away from straight aisles," Peney said of this more complex racetrack presentation which allows side aisles to cross over and converge in some places.

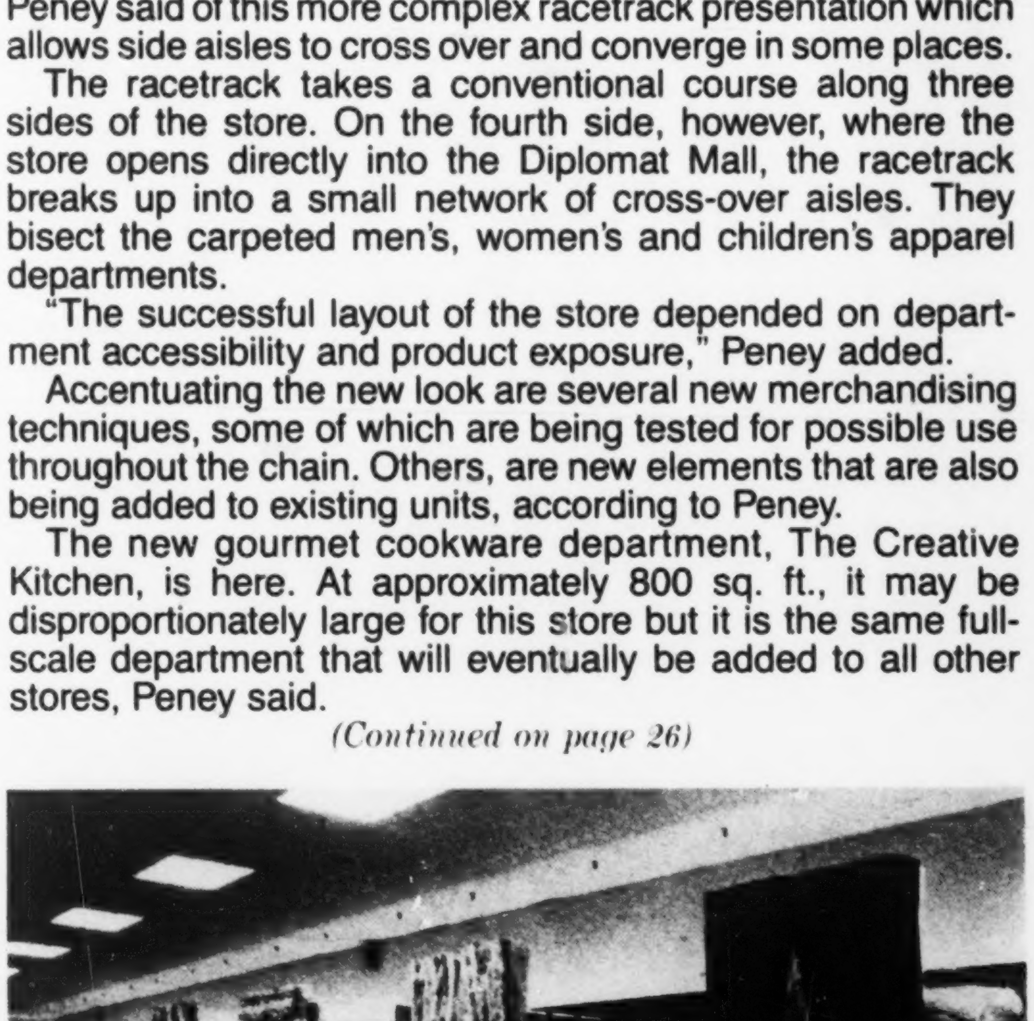
The racetrack takes a conventional course along three sides of the store. On the fourth side, however, where the store opens directly into the Diplomat Mall, the racetrack breaks up into a small network of cross-over aisles. They bisect the carpeted men's, women's and children's apparel departments.

"The successful layout of the store depended on department accessibility and product exposure," Peney added.

Accentuating the new look are several new merchandising techniques, some of which are being tested for possible use throughout the chain. Others, are new elements that are also being added to existing units, according to Peney.

The new gourmet cookware department, The Creative Kitchen, is here. At approximately 800 sq. ft., it may be disproportionately large for this store but it is the same full-scale department that will eventually be added to all other stores, Peney said.

(Continued on page 26)



Several new display ideas are being tested in the domestics department of Jefferson, Hallandale, Fla., among them end-cap vignettes for bedspreads and drapes. (DSN photo)

Outlook, in View of Past Trends:

Housewares, Electrics to Buck Recession But Undergo Inflationary Price Hikes

By ARTHUR MARKOWITZ
Special DSN
Housewares Report

Housewares and electric housewares, as basic merchandise used every day by consumers, tend to be among the more recession-proof products handled by discount stores and catalog showrooms.

But housewares, in common with most other products sold by retailers, are prone to sharp price increases due to inflation.

These two seemingly contradictory trends are evident in the National Housewares Manufacturers Association's latest market study of the housewares industry and a review of the past decade of reports.

The 10-year review shows that in 1974, the year of the last recession, discounters captured a greater dollar and percentage share of manufacturers' sales to retailers than in 1973 ($1.76 billion and 30% vs. $1.6 billion and 28%), and the discounters' share was even greater in 1975 as the nation came out of the recession ($2.27 billion and 34%).

Manufacturers sold more housewares to discounters in the two years because consumers turned to discounters to save money during the 1974 recession and this buying pattern continued into 1975.

If the 1974 recession is an indication of what can happen during a down year, then discounters can look forward to another strong and steady housewares sales year in 1980.

This outlook is also in keeping with the decade-long trend for discounters, during which the industry's dollar share of manufacturers' sales to retailers has grown, despite variations in the industry's percentage share of manufacturers' sales to retailers.

In 1979, discounters' percentage share fell four percentage points to 29%. But dollars grew 20.5%, a pace that was even higher than the housewares industry's 16% boost in total volume.

The outlook isn't as clear for catalogers because the industry wasn't as important a retailer in the 1974 recession as currently.

In 1974, the catalogers' dollar-volume purchases from manufacturers grew only 2.8% from prerecession 1973, then fell in 1975 and rebounded strongly in 1976.

Catalogers' dollar share of manufacturers' sales in 1979 hit almost $1.4 billion, just behind the $1.5 billion share held by conventional department stores.

Catalogers' sharp prices for housewares and especially for electric housewares resulted in showrooms capturing a growing share of manufacturers' sales. (In 1972, the first year that the NHMA tracked showrooms as retailers, catalogers' volume was only $169 million [or 4%] of manufacturers' sales.)

The key question concerning catalogers that could be answered this year is whether consumers view showrooms as sharply priced retailers of

(Continued on page 7)

Buyers' Time

(Continued from page 2)

buyers spend about one-third of their time in the market, and one-fourth in the stores.

"Not tomorrow, but in the future, we see the possibility of putting one buyer on staff specifically to handle the needs of individual stores," Lazarus said.

The Jamesway program includes emphasis on proper buying structure, employee motivation (with trips and awards), increased knowledge of the organization, and an employee training program.

"Employee training is an area where few companies are doing a good job. I don't think we're doing the best we can yet, but we're working on it," Lazarus said.

Hills has an intensive training program for new buyers. Each spends one week learning the store, and another week, the office. Divisional and management development training are ongoing; outside course work and continuing education are also offered.

As at Jamesway, buyers are not as responsible for distribution as they once were. The post of divisional merchandise controller has been added to cover the overseeing of distribution and individual stores, freeing the buyer to plan sales, cover markets, buy goods and plan displays.

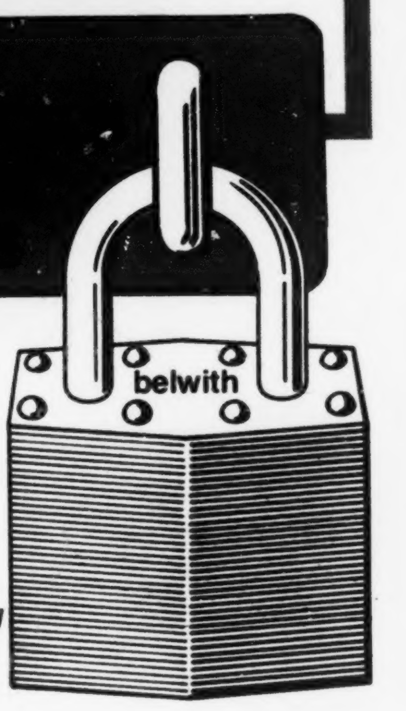
Another innovation in merchandising was developed by Hills to save buyers' time.

"We are pushing to have the initial style selection six to eight months ahead of the season, forcing the buyer to prescreen the market. This way a buyer really has to buy what his seasonal plan dictates," Goldberger said.

Another Hills tactic, also used at Jamesway, is depending on jobbers and service organizations.

"We find it easier, cheaper and more accurate to do it this way instead of [depending on] store personnel," Goldberger explained.

Buyers are tied to their market sheets with unit plans by classification. Planning in units, not dollars, discourages buyers from heading to market with an incomplete sheet.



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Slow cookers are a basic small appliance category, and we're number one, with the largest selection of popular sizes, colors, and features. When you advertise and feature Crock-Pot slow cookers, they sell. And we're behind you, with the largest magazine schedule in our history. Plus an aggressive customer relations merchandising program aimed particularly at young and future homemakers.

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Housewares Producers Break Down Decade's Sales

Dollar Sales (add 000)

	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1967
Manufacturers' Housewares Sales	$15,579,000	$13,479,000	$11,885,000	$10,963,000	$9,702,000	$9,642,000	$8,667,000	$7,061,000	$6,135,000	$5,400,000	$4,535,000
To Retailers	11,528,460 74%	9,570,000 71%	7,844,100 66%	7,235,580 66%	6,694.380 69%	5,881,620 61%	5,720,220 66%	4,236,600 60%	3,190,200 52%	3,132,000 58%	2,721,000 60%
Discount Stores	3,343,253 29%	2,775,326 33%	2,431,671 31%	2,170,674 30%	2,276,089 34%	1,764,486 30%	1,601,661 28%	1,270,980 30%	1,084,668 34%	814,320 26%	544,200 20%
Catalog Showrooms	1,383,415 12%	861,300 9%	941,292 12%	651,202 9%	401,662 6%	529,345 9%	514,819 9%	169,440 4%	N/A* N/A*	N/A* N/A*	N/A* N/A*
Department Stores	1,498,700 13%	1,244,100 13%	862,851 11%	723,558 10%	937,213 14%	764,610 13%	742,628 13%	762,588 18%	574,236 18%	626,400 20%	380,940 14%
Variety Stores	922,277 8%	861,300 9%	784,410 10%	651,222 9%	602,494 9%	529,345 9%	457,617 8%	338,928 8%	446,628 14%	407,160 13%	272,100 10%
Drug Stores	1,152,846 11%	478,500 5%	627,528 8%	434,134 6%	401,662 6%	294,081 5%	286,011 5%	254,196 6%	159,510 5%	125,280 4%	81,630 3%
Housewares/Hardware Retailers	922,277 8%	861,300 9%	470,646 6%	578,846 8%	468,606 7%	470,529 8%	457,617 8%	254,196 6%	223,314 7%	250,560 8%	217,680 8%
Supermarkets	691,707 6%	669,900 7%	470,646 6%	578,846 8%	334,719 5%	294,081 5%	343,213 6%	338,928 8%	191,412 6%	187,920 6%	299,310 11%
To Wholesalers	4,050,540 26%	3,908,910 29%	4,040,900 34%	3,727,420 34%	3,007,620 31%	3,760,380 39%	2,946,780 34%	2,824,400 40%	2,944,800 48%	2,268,000 42%	1,814,000 40%
Housewares/Hardware Distributors	1,417,689 35%	1,641,742 42%	1,454,724 36%	1,043,677 28%	932,362 31%	1,278,529 34%	1,060,840 36%	1,242,736 44%	824,544 28%	703,080 31%	598,620 33%
Electric Housewares Distributors	850,613 21%	429,980 11%	888,998 22%	708,209 19%	842,133 28%	1,052,906 28%	500,952 17%	395,416 14%	500,616 17%	294,840 13%	235,820 13%

** In 1967, '70 and '71, catalog wholesaler sales (forerunners of catalog showrooms) were included in sales to wholesalers. The sales and percentages (of the total sales to wholesalers) for the catalogers in those years are: 1967—$54,420,000 (3%); 1970—$90,720,000 (4%) and 1971—$176,000,000 (6%).*

(DSN *chart. Source: National Housewares Manufacturers Association, annual market studies.)*

Housewares manufacturers' dollar sales to leading retailers and wholesalers for the years 1970-79 plus 1967 as the base year are reported by dollars and by percentage share; figures don't add up to 100% as smaller volumes of such retailers as home centers and such wholesalers as premium distributors aren't included.

Housewares

(Continued from page 6)

housewares (and by extension of other hard lines) or whether the industry's jewelry orientation will turn off shoppers in a recession period when luxuries are less important than basics.

The impact of inflation on the wholesale cost of housewares is of basic concern to discounters, catalogers and all other retailers. The latest NHMA market study presents a discouraging picture for 1980, with manufacturers forecasting 11% as the average price increase and with 53% of those surveyed projecting increases of 10% or more.

In the past, manufacturers' projections have tended to be under the actual increases. The 1978 projection for the average price increase for 1979 was 7.7% while the actual average hike turned out to be 10.3%. Only 22% of the manufacturers foresaw price increases of 10% or more but 43% ended up reporting such boosts.

Closer to Mark

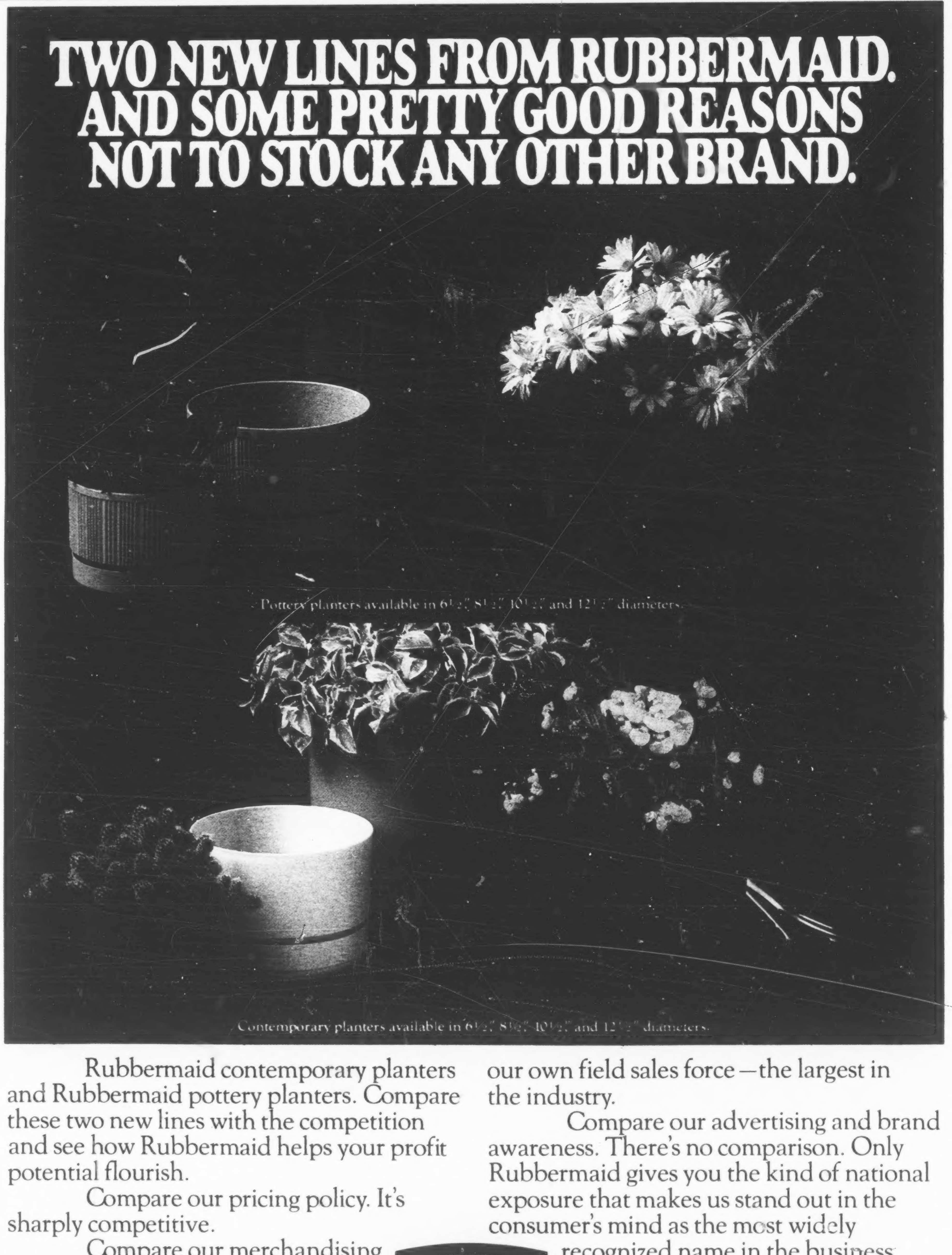
The recession could result in manufacturers' expectations this year being closer to the mark than in the past as the economic downturn offsets some projected increased costs. The reasons cited for the higher costs this year include inflation, 15%; higher freight costs, 11%; higher overhead, 19%; higher labor costs, 19%, and higher material costs, 70%.

The recession could lessen the impact of inflation and some overhead costs such as interest expenses, but not labor, material and freight costs.

In the last recession, manufacturers' projections for price increases for 1974 were under the actual hikes—a situation that doesn't bode well for the outlook for 1980.

In 1973 manufacturers projected 10.6% as the average increase for 1974 while the actual figure was 14.9%. Thirty-one per cent expected hikes to be 10% or more; 49% actually had such an increase.

If past results are a guide, then discounters and catalogers can expect to enjoy strong housewares sales this year, but with wholesale costs up sharply, despite the economic downturn.


TWO NEW LINES FROM RUBBERMAID.
AND SOME PRETTY GOOD REASONS
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Pottery planters available in 6½", 8½", 10½" and 12½" diameters.
Contemporary planters available in 6½", 8½", 10½" and 12½" diameters.

Rubbermaid contemporary planters and Rubbermaid pottery planters. Compare these two new lines with the competition and see how Rubbermaid helps your profit potential flourish.

Compare our pricing policy. It's sharply competitive.

Compare our merchandising program. Individually tailored to suit your needs. And backed by our own field sales force—the largest in the industry.

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HARDWARE

Figures for these hardware PMA tables are for the month of March 1980. They were supplied by Hardware Distributors, Secaucus, N.J., which covers 350 stores, including 141 discount department stores, in 20 states east of the Mississippi River. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
HAND TOOLS					
1	—	Stanley 28499A knf w/rtct bld	846	3.49	2,952.54
2	—	Cooper Y25 ¾x25′ yel Mzrlk	188	12.49	2,348.12
3	—	Cooper X46 6′ wood ext	226	8.99	2,031.74
4	—	Arrow T50 stpl gun tckr	93	19.99	1,859.07
5	—	Arrow JT21 jnr stpl gun	179	9.99	1,788.21
6	6	Fuller 8″ adj angle wrnch	270	5.99	1,617.30
7	—	Gr Nk S Hk18-18-p hx ky wr	540	2.99	1,614.60
8	—	Grt Nk Saw C55 blds nst of sw	174	8.99	1,564.26
9	—	Fuller 1474 6-pc O/E wrnch st	260	5.99	1,557.40
10	—	Stanley SI1 ½A 16 oz rp stmst	124	12.49	1,548.76
HARDWARE					
1	—	Gemini ST15 mlbx RFD 1½	199	14.99	2,983.01
2	—	Amer Built 2″x10 yds duct clth	1,584	1.29	2,043.36
3	—	Gemini ST10 mlbx RFD 1 glv	248	6.79	1,683.92
4	—	HB Ives HC571A3 ct/ht hk 3l	1,080	1.29	1,393.20
5	5	Gemini RK10 RFD 1 mlbx kit	63	21.99	1,385.37
6	—	Dial BP40 applnc dlly	288	4.49	1,293.12
7	6	Ferrum grey shlf brckt 10x1	1,296	0.99	1,283.04
8	—	Amer Tack thmb tcks wh hd	3,072	0.39	1,198.08
9	—	Gmn AL 10 mlbx RFD 1 aln	105	10.99	1,153.95
10	7	Gemini ST10B mlbx blck	158	7.29	1,151.82
POWER TOOLS					
1	—	Black & Dckr 7308 7¼″ crc sw	192	37.99	7,294.08

(Continued on page 17)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hardware Sales Reflect a Lag In the Economy

The March hardware Product Movement Audit by Hardware Distributors, Secaucus, N.J., reflected the general downturn in the economy as shoppers and retailers reined in their purchasing and focused on basics.

This conservative buying led to a 10% to 15% drop in sales over the same month the year before, according to a company spokesman.

This decline was reflected in several hard lines categories although in some cases decreases can be attributed to supply difficulties rather than to consumer buying patterns.

Problem Persists

In power tools, for example, the continued inability of Black & Decker to meet supply commitments was reflected in both a drop in unit sales and in the emergence of new products into "the top 10" spots.

"We're only getting about a third of the supplies we need," the company spokesman asserted.

Last spring, sales of B & D's 7¼-in. circular saw topped 1,100 units for a 30-day period. This year, while the saw still led the classification in sales, unit movement was down to 192 for a similar period.

Short B & D supplies were also responsible for Shelton's 5-gal. wet and dry vacuum gaining third place, and for two sump pump offerings ($89.99 and $59.99) making it onto the top of the list.

Among this year's best sellers, Krazy Glue doubled unit

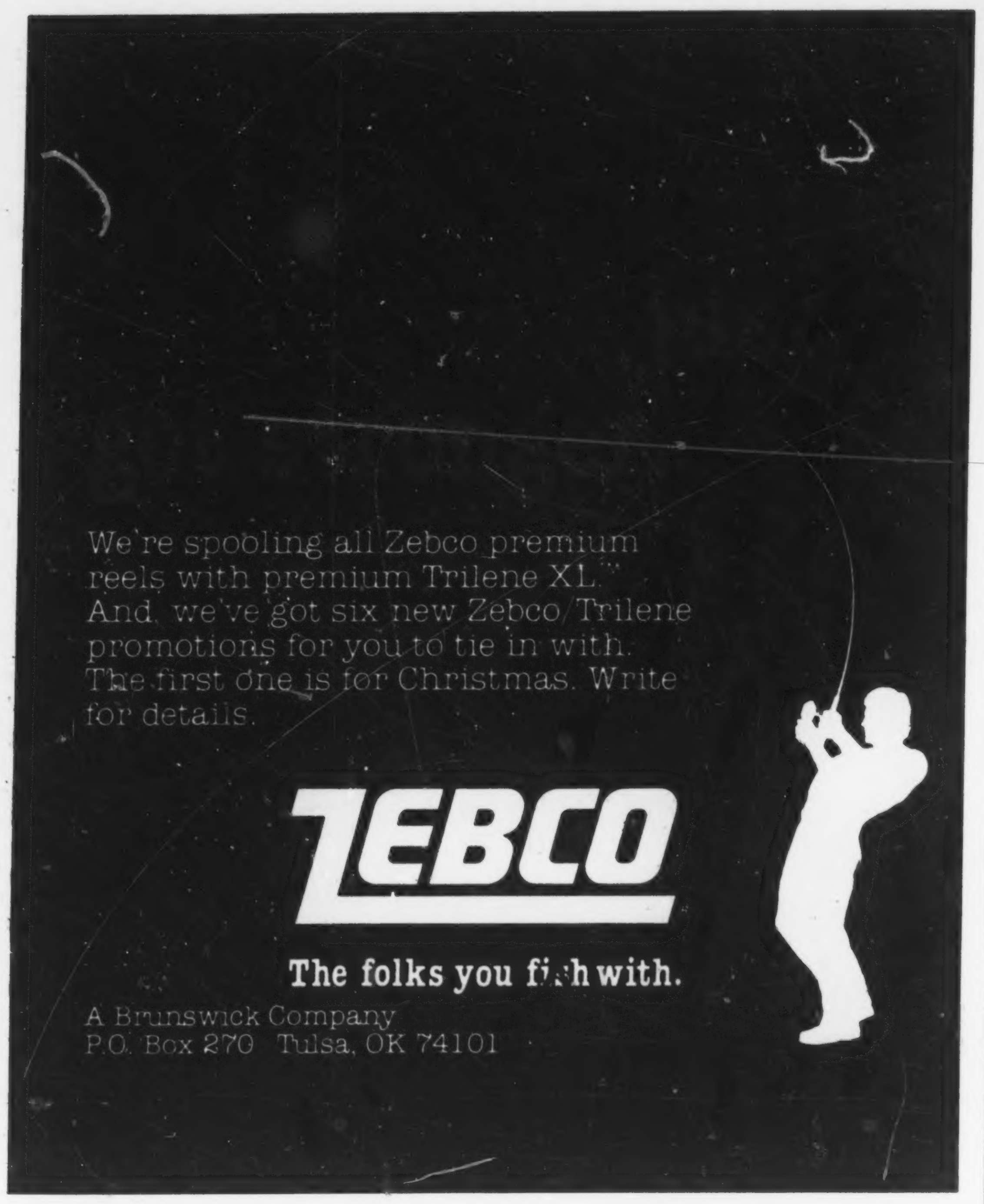
(Continued on page 17)

Carter Extends Heat, Cooling Rules to 1981

WASHINGTON—President Carter has extended the Emergency Building Temperature Restrictions which limit store heating to 65 degrees and air-conditioning to 78 degrees. The extension will run until Jan. 16, 1981.

The Department of Energy, however, has announced its intent "to amend the regulations" to make them more flexible and permit building owners and operators to "adopt alternate means of conserving an equal amount of energy in their buildings."

Retailers have sought a percentage reduction program in lieu of prescriptive conservation measures. The Department of Energy is expected to permit various industry associations to develop their own models for conservation, and retail trade associations are meeting here with energy officials to discuss the possible changes and models.



We're spooling all Zebco premium reels with premium Trilene XL.™ And, we've got six new Zebco/Trilene promotions for you to tie in with. The first one is for Christmas. Write for details.

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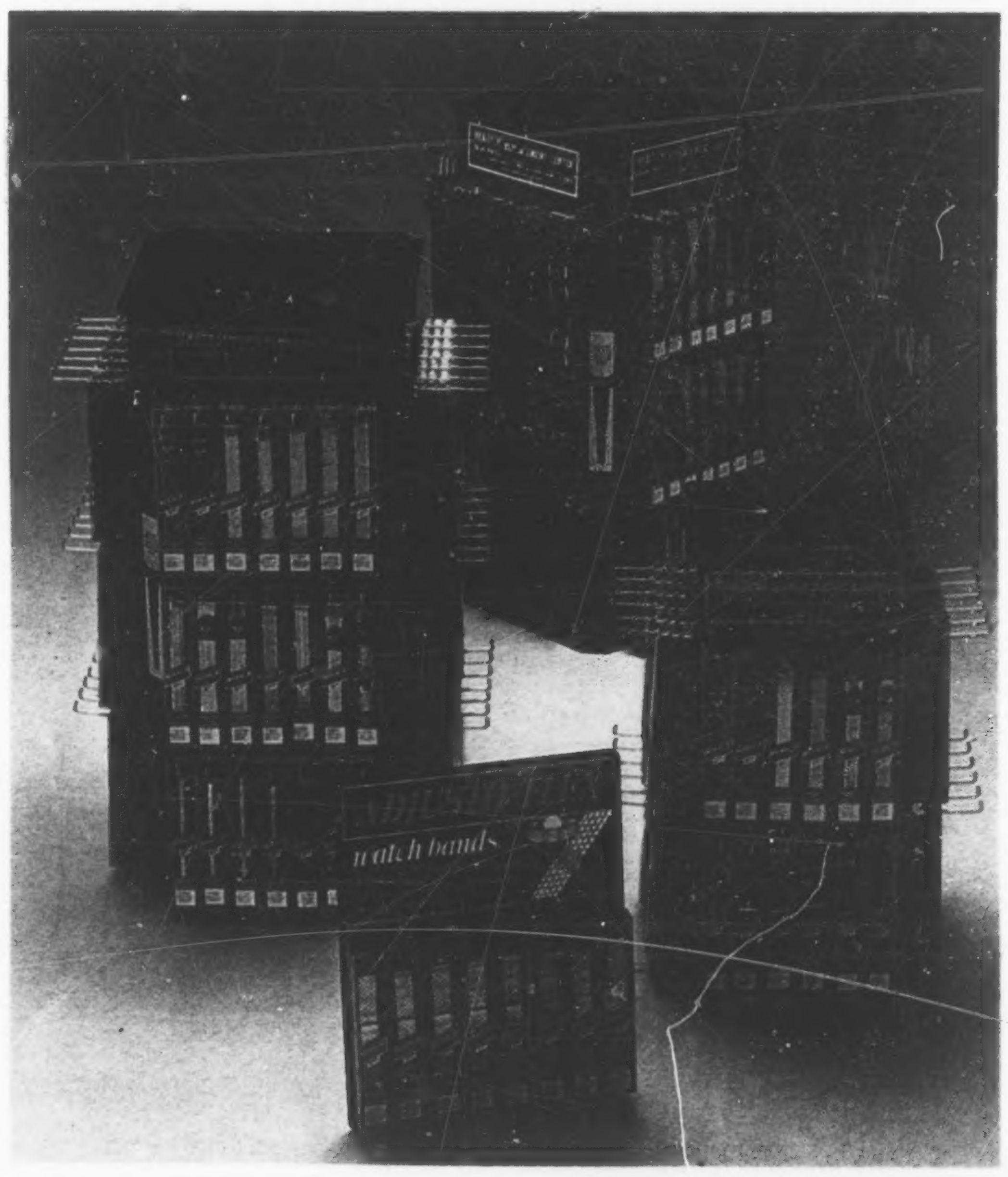

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Regal has complete watchband programs for every type of retail outlet, featuring the best-selling metal, leather and fashion watchband styles, priced from $1.50 retail.

Contact us today to find out how Regal can put more power (and more profit) in your watchband sales. This could be the start of a very rewarding relationship!

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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hardware Sales Reflect a Lag

(Continued from page 16)

volume (dollar sales were up 55%) and rose to the top of the glues and adhesives classification.

Security hardware also continued to perform well this spring, although admittedly consumers showed a little less willingness to pay $13.99 for the category leader, Weslock's entry lock set.

Surprisingly, although dealers thought energy-related products would continue to do well, wood-cutting tools and accessories showed a decline in sales. Spring, however, is not as big a buying season for these products as is the fall, the spokesman pointed out.

Good Performers

Mailboxes, mailbox kits and other home refurbishing equipment also performed well this spring, as did plumbing supplies, and lawn and garden equipment.

In lawn and garden, Melnor's pulsating spike jumped to the top of the list. It's evident that consumers, suspecting that they'll be housebound this sum-

(Continued on page 18)

HARDWARE

(Continued from page 16)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
2	4	B&D 7504 jig saw	425	14.99	6,370.75
3	—	Shelton 5-gal wet/dry vcm cln	48	54.99	2,639.52
4	—	B&D fnshng sndr 7404	99	21.99	2,177.01
5	—	B&D 5½ saw 7300	65	27.99	1,819.35
6	—	All pwr pdstl smp pmp P30	19	89.99	1,709.81
7	3	B&D 7190 ⅜" vsr drl	40	29.99	1,199.60
8	5	B&D ⅜" drl	62	16.99	1,053.38
9	—	Flotec utility smp pmp	17	59.99	1,019.83
10	—	Wen blt sndr bl PR19 18"	17	54.99	934.83

LAWN AND GARDEN

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Melnor 9535 dlx plstng spk sp	1,980	13.99	27,700.20
2	—	Ortho 1834 ½-gal Ortho-Klr 4	894	20.99	18,765.06
3	—	Intl 5001 Jobes hsplnt spks	15,606	0.99	15,449.94
4	—	Melnor 69 oscltng sprklr 2	612	11.99	7,337.88
5	—	Ortho 3630 tn/vg dst 10 02	1,452	3.49	5,067.48
6	—	Melnor 8PS Quick-Fx hse mnd	2,980	1.59	4,738.20
7	—	Ortho 2561 1 lb Diazinon sl D	1,548	2.89	4,473.72
8	—	Melnor 400C Stop-N-Flo hs vl	840	4.59	3,855.60
9	—	Ortho 1761 1-pt Diazinon	576	6.59	3,795.84
10	—	Melnor 313S Y sht off cplng	1,450	2.39	3,465.50

SECURITY HARDWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Weslock entry lck st snry br	379	13.99	5,302.21
2	4	Mastr lock 1500D cmbntn pdlk	1,260	3.49	4,397.40
3	—	Mastr lock 7D 1" lmntd pdlk	564	4.29	2,419.56
4	2	Yale LW5 entrnc lck st brss	160	12.99	2,398.40
5	—	Weslock entry lckst imprsa an	143	14.49	2,072.07
6	—	St. Marks 1301 rim night latch	366	5.49	2,009.34
7	—	St Marks 1302 dbl cyl deadlock	198	9.79	1,938.42
8	—	Mstr lck 500D 1.75" wrdd lm p	720	2.49	1,792.80

(Continued on page 18)

Can Buy Basco On Margin Now

CHERRY HILL, N.J.—Basco has been added to the Federal Reserve Board's list of over-the-counter stocks that can be purchased on margin.

Previously, Basco's OTC stock could only be purchased from a broker at its full price. Now brokers can make margin loans using Basco's common as well as selling the stock on margin.

Must Meet Standards

The Federal Reserve Board annually surveys companies that aren't on its list of approved OTC marginable stocks to see if the firms meet the board's standards, which include dollar value of the share, the company's net worth and activity in the stock.

The board's move could result in increased activity in Basco's stock as investors can now obtain more shares on margin than they could have when the stock could be purchased only at full price.

Jamesway's Irish Joins Ad Agency

SECAUCUS, N.J.—George Irish, vice president of sales for Jamesway, has resigned.

He is now associated as a partner and executive vice president of an advertising agency headquartered in New York.

Jamesway made no immediate announcement of his replacement.

All Zebco premium reels are now spooled with premium Trilene XL.™ And, we've got six new Trilene/Zebco promotions to tell you about. The first one is for Christmas. Write for details.

Trilene XL Berkley

Prestone
DE-ICER
ENGINE starting fluid
Prestone Super Sweep
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Prestone SNO-SWEEP
sweeps... scores... scrapes...

Get 'em while it's hot!

SUMMER IS THE TIME TO ORDER THE WORLD'S HOTTEST-SELLING LINE OF COLD WEATHER CAR CARE PRODUCTS.

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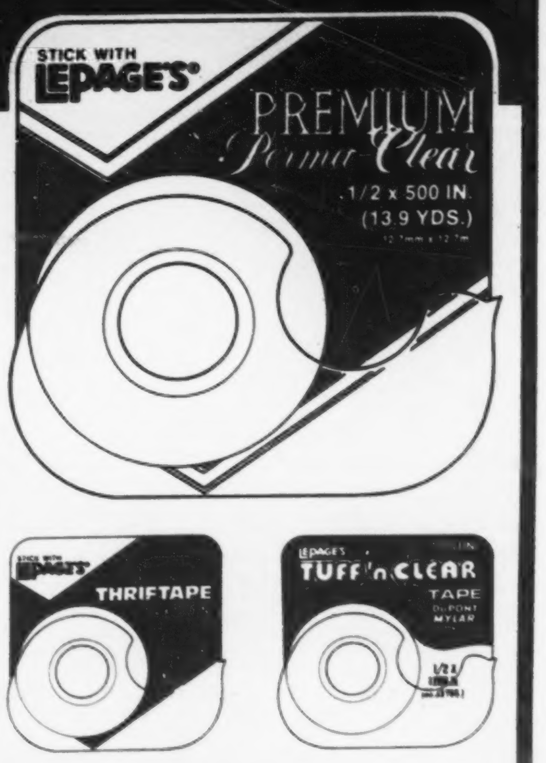
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1/2 x 500 IN. (13.9 YDS.)
THRIFTAPE
LEPAGE'S TUFF 'n CLEAR TAPE DUPONT MYLAR

HARDWARE

(Continued from page 17

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
9	5	Weslock entrylock set elegant I	119	14.49	1,724.31
10	—	Parker 1303 sing cyl deadlock	216	7.89	1,704.24

GLUES, LUBRICANTS AND ADHESIVES

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Krazy Glue 2 grm	6,780	1.59	10,780.20
2	3	Eastman No 910 Estmn adhe	1,644	1.79	2,942.76
3	—	Woodhill GM1 Gluematic Pen	744	3.79	2,819.76
4	1	Woodhill Super Glue 3 grm Tb	984	1.69	1,662.96
5	—	Super Glue Griper Super Glue	1,627	0.99	1,610.73
6	—	Miracle 6 oz acrylic caulk wh	708	1.89	1,338.12
7	—	Weldit cemont 1½ oz.	960	1.19	1,142.40
8	—	Gen Elec tub seal 2561 71D	370	2.99	1,106.30
9	—	GE Clear Seal 2562 01DP	360	2.99	1,076.40
10	—	Boyle Mdwy 8596 -¼-lb cn pl wd	960	1.19	975.24

ELECTRICAL

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Carol cbl 03302 16/3 100' rd dr	1,125	19.99	22,488.75
2	—	Carol cbl 03354 16/3 50' rd org	1,416	10.99	15,561.84
3	—	Manco 4 x 60' pvc U/L electric	16,880	0.99	16,711.20
4	6	Gemini J-51 element TV anten	83	69.99	5,809.17
5	—	Gen cbl rmx wre 14/2 50' UF	31,540	15.99	5,036.85
6	5	Gemini solid state rotor MR-2	74	59.99	4,439.26
7	—	Carol cabl 03752 -16/2 50 ft flat orn	336	10.49	3,524.64
8	—	Gemini G-26 element TV antn	61	49.99	3,049.39
9	—	Lutron DR600RC rtry dmmr U/L	576	4.99	2,874.24
10	—	Trine 10243GBC dplx snap cover	696	3.99	2,777.04

Source: Hardware Distributors

Discount Store News

PMA®
PRODUCT MOVEMENT AUDIT

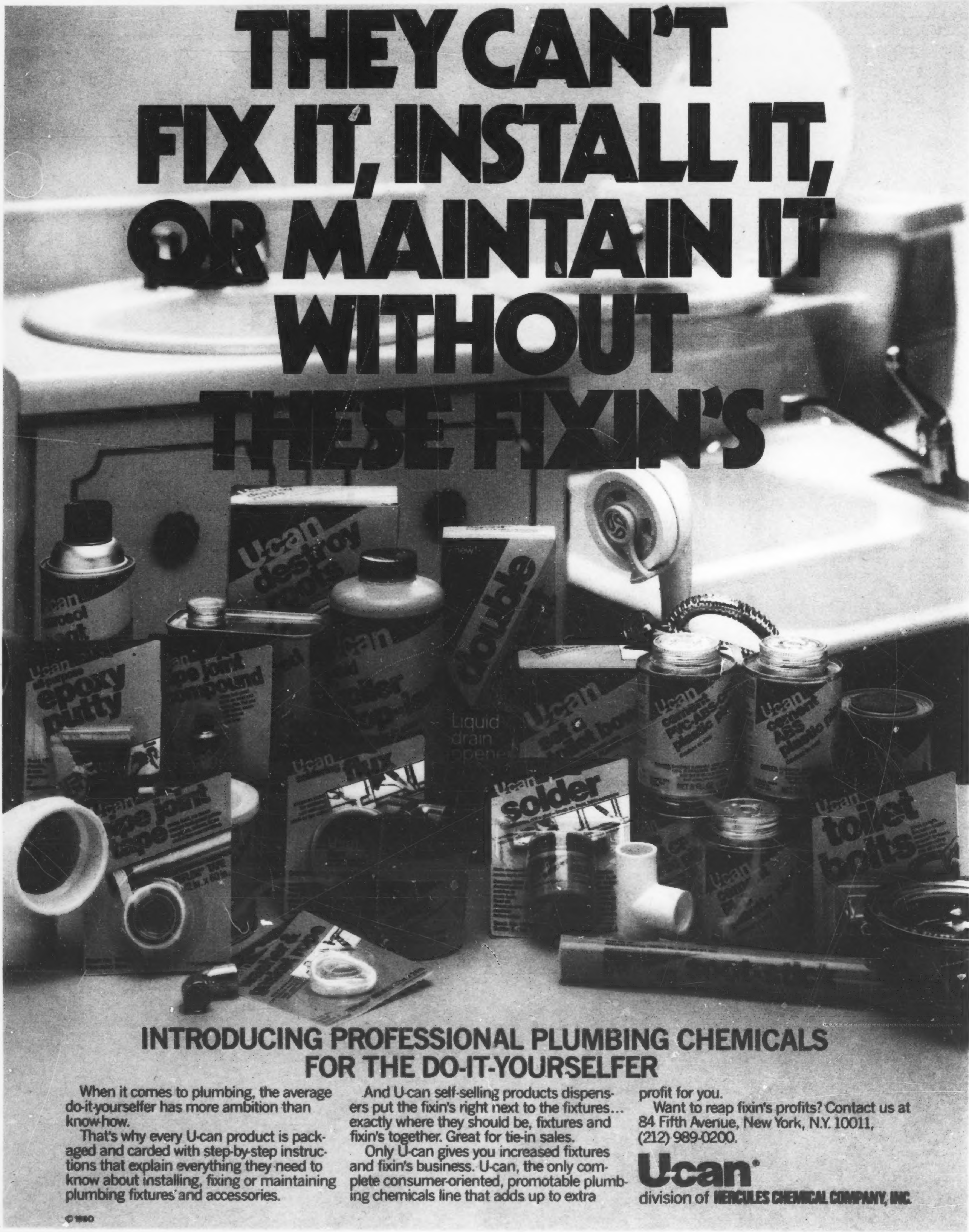
Hardware Sales

(Continued from page 17)

mer, are willing to pay ($13.99) for gardening equipment that will make the backyard more pleasant.

Houseplant spikes, lawn chemicals, garden hose and hose accessories also sold well this spring.

[In the past this column was written by Steve Hittner, president of Hardware Distributors, Secaucus, N.J. On June 1st, Hittner resigned his position in favor of the "freedom and sunlight of a life on the beach." Hittner and his wife have bought a house on the dunes in Florida and he is entering the real estate investment business.]



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Gateway to the 80's

Farsighted Merchants to Solve Risk/Reward Crisis

The decade of the discounter has arrived—bringing with it levels of risk and reward seldom equaled in the short history of discount department store chains.

This crisis—for that is what such a combination of opportunity and danger is—will be best resolved by retailers with sufficient courage, commitment and ability to attack the problems and seize the opportunities. Those who plan to "sit it out" with "time-tested" approaches will falter and fail.

But the discount department store industry is replete with farsighted merchants and managers, and as a whole has never been better positioned to maximize its potential.

The crisis of double-digit inflation will continue to bring downside pressure on the personal disposable incomes of our customers, and upside pressure on our operating expenses. However, it will also prompt more and more consumers to seek out the better values offered by discount stores—quality name brand merchandise at lower prices, and soft-line basics of increasing quality, attractively priced.

The crisis of America's aging population will require retailers to carefully track, through extensive consumer and market research, the changing lifestyles and needs of their customers. But, it also means that the bulk of the purchasing power controlled by the American consumer will be held by upwardly mobile, career-advancing homeowners who grew up with discounting in the years since 1950.

Discount executives view the next 10 years—pp. 13-31.

The crisis of information management brings the danger that discount retailers will either fail to provide adequate data retrieval and fall behind their competitors, or implement excessive data processing that will bury them under an avalanche of under-utilized information at excessive cost. However, the information gathering and processing revolution also provides the capability to obtain item-by-item, day-by-day, store-by-store tracking of the most productive goods. New measurements will evolve, showing the traffic-pulling power and profit production from every sku, from every square foot of display and from every style of presentation.

The energy crisis will add to discounters' woes with increased store operating costs, rising freight bills and worse prospects for repressive Government regulation of in-store environments and operating hours. But, the energy shortages and price hikes will also force consumers to seek the most convenient source for their daily shopping needs. Discount department stores, with broad assortments and convenient suburban and rural locations (as well as in-store or next-door supermarkets) fill the bill.

The crisis of Federal tampering with the free enterprise system will continue to hamper the most-efficient least-inflationary distribution of general merchandise, and the efficient operation of retail businesses. However, excessive Government regulation, from the tea tax to today, sows the seeds of its own defeat. Discounters in the coming decade will organize and cooperate to whatever extent necessary to finally convince the Government bureaucracy that sound business practices and adequate profit potential will produce sound social progress.

Discount Store News, in this first year of a crucial decade, takes a look at the future of discounting in a special "Gateway to the 80's" section.

We like what we see.

—**Doug Stinson**

Discount Store News®
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HOLIDAY MART

Holiday Mart, recently bought by Daiei Inc., Japan's largest retailer, is one of several Hawaiian discounters that will be slugging it out for market share on the Islands. (DSN photo)

Two Takeovers Revitalize Hawaiian Discountland

HONOLULU—The acquisition of two discount chains embroiled in Chapter XI proceedings has changed the discount climate on the Islands.

The takeover of GEM of Hawaii and Holiday Mart in recent months by two strong Japan-based retailers marked the start of an intense struggle for market position based, in part, on the relative scarcity and high cost of Hawaiian real estate.

The Hawaiian discount market may be in for other changes. Since Pay Less Northwest acquired Pay Less Drug (Calif.), industry observers have been predicting that the 10 Hawaiian Pay Less units will be the first to go. Although the Pay Less stores are about half the size of those of Holiday Mart and GEM, the offering of the 10 stores—with sales estimated at $33 million—would provide a unique opportunity.

Rarely are sizable blocks of retail units of this size available and already Hawaiian retail experts indicate that the waters are beginning to simmer. Whether GEM or Holiday Mart or even some Mainland discounter will emerge the victor is uncertain at this point, but there's little doubt that the Pay Less stores will be a major key in the discount market share struggle.

With both major discounters agressively seeking to expand and the possibility that Duty Free Shoppers may have some of its market share pulled away as a result of the duty-free licensing bid coming up in November, both companies are

(Continued on page 64)

CES Section —See Pp. 51-55

Energy, Govt. and Uniform Mdse. Marking Are Priorities of Godfrey, New NMRI Chmn.

COLUMBUS, Ohio—David W. Godfrey takes the ups and downs of mass merchandising personally.

As the newly elected board chairman of the National Mass Retailing Institute (NMRI), Godfrey will be as sensitive to industrywide problems as he is to those in his own backyard as chief executive officer of Hart Stores.

Take this current example:

"Many of our consumers in this area work in the coal-mining industry, and we all think there should be more use of coal. By motivating our legislators to push for more use of coal, we can achieve more energy, more jobs, higher employment and more buying power," Godfrey said.

The end result would alleviate inflationary pressures on Harts' customers by attacking the root of the problem, whether it is a Government obstacle, energy shortage and expense, or some other inflationary woe.

This is the same tactic Godfrey will put to work for NMRI. The three trouble spots he will focus on during his term are energy, Government relations and the development of a uniform merchandise marking system within the industry.

"We are probably several years behind other industries in this last area," he said, although he noted NMRI technical and executive committees are now working toward a consensus on the universal product code or optical character recognition systems.

"In food items, the UPC code is 85%-90% complete. Many of our H&BA items and quite a bit of our hard lines are already

(Continued on page 61)

Korvettes Returns to Discount Roots Amid Conflicting Cutback Reports

NEW YORK—Korvettes has gone back to its roots—discount merchandising.

That new direction for the financially troubled chain, long predicted by DSN, was announced by Joseph A. Ris upon his election as board chairman and chief executive officer.

The move back to discounting comes amidst conflicting reports of another major cutback in stores and employees for the company. In the last nine months Korvettes has eliminated 3,000 jobs and closed 13 stores to reduce its operations to just the Metropolitan New York Area, the Greater Washington, D.C., market, Detroit and Philadelphia. (The company denied plans for any new layoffs.)

Korvettes, as part of its retrenchment, was due to meet with its major bank lenders at presstime to present its new, long-awaited marketing and operational program and plans for a restructuring of its debt. The plans reportedly include new short-term financing and lowering of the interest rate on long-

(Continued on page 5)

Auto Tuneup Gear Sales Soar; Glamour Slumps

Special DSN
Automotive Report

A tough economy is causing drops in the sales of car beautification products, but buyers said they've been making it up with skyrocketing sales of tuneup equipment and gas-saving chemicals.

Buyers for chains such as Gold Circle, Korvettes and ALCO added that a particularly cold winter along with a heavy push for car winterization products could make 1980 a generally good year.

"I know the market isn't particularly conducive to mass merchandising right now," explained a Gold Circle buyer, "but the business can still be there providing you're pushing the right objects."

The "right" object for many chains this year has been a four-piece tune-up kit, which is registering strong sales in many chains throughout the country.

Korvettes' reported movement of the kit has "picked up dramatically" in recent weeks at a sale price of $29.95.

The item is also particularly popular at ALCO, where it is selling for $22.95.

An ALCO spokesman said, however, that many shoppers—still concerned about quality—are trading up to more-expensive timing lights at $24.95 (the chain's best seller) and $31.99.

Gas additives were strong sellers in most areas, as motorists became more conscious

(Continued on page 61)

Roundup of Recent Annual Meetings

Its Properties to Be 'Developed'

Future of Two Guys' Sites Up in Air

GARFIELD, N.J.—The disposition of Two Guys' stores and sites is up in the air.

Steven Roth and Frederick Zissu, the two top executives of Vornado, Two Guys' parent company, told stockholders at the annual meeting that the chain's properties would be "developed."

But they left unanswered the type of development planned for the sites.

Roth, chairman of the board of directors' executive committee and the key executive at Vornado, told DSN after the meeting that "I'm not going to tell you that we're going to liquidate the retail business."

He indicated that there was too much at stake in the way of employees and potential use of sites to offer a simple answer to Two Guys' future.

"I have a big investment in Vornado and I don't plan to lose money."

Roth is general partner of Interstate Properties, a real estate firm that won control of Vornado in a proxy battle last year. He would be considered the sparkplug in any plan to revamp Vornado into a real estate operation.

Zissu continued as board chairman and chief executive officer after his group lost the proxy fight. Both sides signed an agreement in April institutionalizing the change of control. Interstate also filed a new 13D statement with the Securities and Exchange Commission outlining its plans for Vornado.

Zissu, who answered most of the questions raised at the meeting, declined to say if there were plans to lease or sell any stores besides the units disposed of in the Greater Philadelphia market.

"If I answer that question, I would give information to our competitors and I don't want to help them, so I won't answer."

He asserted, however, that Vornado has the "strength and will and capability to maintain its retail business."

Roth acknowledged that Vornado was still interested in leasing out Two Guys stores outside of its core market of metropolitan New Jersey and New York. This is in line with Interstate's plans contained in a 13D statement filed with the S.E.C. in 1979 when the real estate company launched its attack.

The new 13D states that there aren't any plans for any extraordinary Vornado transaction (such as liquidation) nor any material change in capital or dividends.

"I'm not going to tell you that we're going to liquidate the retail business."—Steven Roth, key Vornado exec.

The 13D also notes that management members agreed not to buy or sell any stock. This doesn't prevent Vornado from buying any of its shares.

The current indefinite plans for Two Guys stores contrast sharply with Interstate's proposals last year to cut back the discounter's operations to just units in New Jersey.

Roth noted that his group's outlook changed due to its becoming part of Vornado's management and receiving "insider information" on operations.

Zissu asserted that the Interstate group has shown a remarkable ability to work with the board, and board members to work with the Interstate

(Continued on page 5)

Interstate's 7th Mall Due in Fall

Shopping Center and Location	Opening Date	Center Size Land	Center Size Building (sq. ft.)	Anchors' Size (sq. ft.)	Total No. of Stores
Fairground Square* Reading, Pa.	September 1980	65 acres	800,000	Penney, 150,000 Boscov, 130,000	95
Oakdale Mall* Johnson City, N.Y.	1975	55 acres	850,000	Sears, 140,000 Ward, 136,000 Bradlees, 85,000 Fowler's, 80,000 Penney, 150,000 (a)	115
Riverside Shopping Mall* Utica, N.Y.	1974	64 acres	535,000	Ward, 124,000 Howland's, 62,000 Bradlees, 96,000 (b)	87
East Windsor Town Center East Windsor, N.J.	1973	20 acres	137,000	Jamesway, 70,000	25
Mall at Manassas* Manassas, Va.	1972	50 acres	500,000	Ward, 140,000 Hecht, 110,000	75
Hackettstown Mall* Hackettstown, N.J.	1971	23 acres	188,000	K mart, 64,000	28
Woolco Plaza Turnersville, N.J.	1971	17 acres	200,000	Woolco, 102,000	23

*Air-conditioned, enclosed mall
(a) Penney will open next year
(b) Bradlees to open in fall '80 in former J. M. Fields

Interstate Properties has six malls in operation and is scheduled to open a seventh in September 1980 with two others on the drawing board.

(Source: Interstate Properties; DSN Research)

Merchandise Refinements Are Ahead for K mart as Power Passes to Fauber

TROY, Mich.—It may have been K mart's most important annual meeting ever—and it went off without a hitch.

In a brief, smoothly orchestrated transition of power from builder Robert E. Dewar to merchandiser Bernard M. Fauber, the chairmanship of the nation's leading discount chain was passed on in less than an hour, under the smiling supervision of former chairman Harry Cunningham, who sat at Dewar's left.

The management change positions the chain to maximize the benefits of its operational preparedness while grabbing off bigger market shares through merchandise refinements, during a time when others will be concentrating on execution.

"The start of a new decade is a natural starting-off point," said new chairman of the board Fauber. "We'll build on a strong base that includes 1,728 K mart stores, seasoned senior executives and conservative fiscal policies. There is total corporate commitment to continued openings of new K mart stores, improving the appearance and efficiency of existing stores and maintaining consumer research that will keep us in touch with the K mart customer."

"We have a total corporate commitment to continued K mart openings, improvement of the appearance and efficiency of existing stores and continued studies of the K mart customer"—Bernard M. Fauber, incoming chairman and chief executive officer, K mart.

Fauber, who spoke only briefly (preceded and followed by Dewar), also cited the 381 Jupiter and Kresge stores and K mart's equity in G. J. Coles and Coy Ltd., Australia, as part of the structure on which he would build.

Dewar, in his presentation, listed some of the operational progress made by the chain, including the KIN (K mart Infor-

(Continued on page 11)

Lucky Hoists Fiscal-Year Net by 22%

OAKLAND, Calif.—Earnings for Lucky Stores, the supermarket parent of the Gemco/Memco discount operations, rose 22% to $98 million in the latest fiscal year, according to figures released at the company's annual meeting here last month.

Sales for the discount division, which contributed 32% to its parent's earnings, jumped 20% to $1.52 billion, not including concession sales, for the fiscal year ending Feb 3, 1980. Pretax earnings reached $57,430,000.

Average discount store sales reached nearly $25 million, according to Morton Godlas, president of the general merchandise division. These stores achieved nonfood sales of $220 per square foot, he said.

Although major appliance, men's clothing and jewelry department sales lagged behind results of other departments, Godlas said their volume was above last year.

In analyzing the first quarter, ended May 4, 1980, S. Donley Ritchey, Lucky Stores president and ceo, said: "Our divisions are experiencing mixed results."

Corporate figures reflected a sales increase of 16%, to volume of $1.5 billion, and an earnings improvement of 7% to $19 million, compared to the first quarter in 1979. (The 1979 earnings reflected just under a $3 million reduction from those previously reported, the result of a shift to the LIFO accounting method.)

Volume of Gemco/Memco, less concession sales, rose to $362 million in the first quarter, from $315 million. Pretax earnings were $6.6 million, compared to $6 million in the first quarter of 1979, which also was restated for LIFO.

Total corporate sales for the latest fiscal year were up 25%, to $5.8 billion, and dividends were up 22%, to $49 million.

The company reported a cash dividend increase to 28¢—up 3¢—payable July 3, 1980. This is the 34th year Lucky has paid a dividend and the 16th year—out of 17 years—that it has in-

(Continued on page 11)

Zodys Biz at Record; 4 New Stores, 8 Remodels Set

BEVERLY HILLS, Calif.—Zodys, the discount division of Hartfield-Zodys, is expected to perform especially well in the coming fiscal year—despite dour economic forecasts.

That bullish prediction was made by Edward D. Solomon, president and ceo of Hartfield-Zodys, at the annual meeting.

Solomon announced record sales for the discount division and a commitment by the parent corporation to earmark $11 million for capital expenditures in fiscal 1981. The funds will be used to build four new Zodys units, remodel seven others after the chain's new prototype, and remodel and expand by 20,000 sq. ft. the flagship Hollywood store.

This signifies the beginning of a major four-year corporate expansion program which will require an anticipated $40 million-$45 million in capital expenditures, he added.

Officials predict sales at the end of the four-year period will reach $550 million, with total units reaching 420 including 60 Zodys, 100 Hartfields, 160 Shoe Stops, 30 Karl's and 70 licensed footwear departments.

For the fiscal year ended Feb. 1, 1980, the Zodys division reported record sales of $304,555,000, up 12.9% over the previous year. Comparable same-store sales were up 7.1%.

Total corporate sales, excluding licensed departments, were $339 million, an increase of 7.4% over the previous fiscal year, with income before extraordinary items $7.3 million, compared to the prior $7.2 million. Licensed department sales rose to $74 million vs. $66 million the previous year.

Net income was $11.6 million, or $3.09 per share vs. $15.1 million, or $4.05 per share. Solomon explained that extraordinary items of $4.3 million for the latest year and $8 million the previous year primarily consisted of tax benefits of operating-loss carryforwards.

The carryforwards, he noted, were reduced in the latest year by an extraordinary charge of $2.1 million, which represented primarily the write-off of im-

(Continued on page 61)

In This Issue . . .

THE FUTURE IS COMING. The new decade is here and with it some exciting and exacting opportunities for discounters: videoshopping, more sophisticated EDP capabilities, and the demise of many store departments as we now know them. Even the consumer of the 80's promises to be a new (and tougher) customer. P. 13.

WIRED UP. CE buyers report a more value-hungry consumer is shopping their departments. Hot items: multifeatured, best-price stereos and clock-radios, and black-and-white portable TV's. (Pp. 51-55)

NEW WAVE. Microwave cookware products made their debut on the first-quarter housewares PMA, and were among the items showing the greatest gain in dollar movement. (P. 7)

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Higher Cost of Doing Business Hurts

First-Quarter Earnings Are a Mixed Bag

Nationwide DSN Report

The higher cost of doing business in the first three months of 1980 collided with typically slow first-quarter sales and a weakening economy to produce a mixed bag of earnings results for discount and general merchandise chains.

Woolworth (all divisions) was at the front of the field this year with an impressive income gain of 193.2% which included adjustments for currency translations and overseas tax refunds.

Grand Central, the 30-unit chain headquartered in Salt Lake City, also posted high earnings for the quarter (boosted by $140,766 in nonrecurring gains), exceeding last year's quarterly profits by 110.1%.

Hartfield-Zodys, parent of the West Coast Zodys discount chain, posted the largest decrease in earnings: a 73% decline from last year's first-quarter results. The drop, however, partially reflected a $1,360,000 tax loss carried forward.

Sterling Stores, parent of Magic Mart, also showed a serious decline in first-quarter figures. Earnings dropped 71.4% from last year's, netting the chain $95,341 on quarterly sales of $26,649,485.

On the brighter side, Duckwall-ALCO (up 24.5%), Wal-Mart (up 32%), Ames (up 13.5%), Caldor (up 10.6%) all closed the first three months with healthy income advances over last year.

The 10.2% gain posted by Gemco/Memco, however, was for operating income only, and included an adjustment for a switch to LIFO accounting.

Several other chains—Pamida, Gaylords, Mars, King's and Twin Fair—finished the three-month period in the red for the second consecutive year.

Earnings for the Big Three—Sears, Ward, Penney—dropped precipitously for the first quarter of 1980. Sears registered a 60.66% decline and Penney's earnings dropped 58.9% compared to first-quarter results for 1979. Ward's loss of $4 million for the first three months of 1979 was surpassed this year with a reported loss of $46 million.

Few conventionals fared better, despite strong sales by discount divisions.

Of these chains, The May Co., parent of the Venture discount chain, fared the best with a slip in earnings of only 1.2%.

For Federated, parent of Gold Circle, Gold Triangle and Richway, earnings for the first three months of 1980 were off by 5.4% to $26.5 million.

Corporate earnings for Dayton Hudson, operator of Target, were down 8.6% to $13,208,000.

Portland, Ore.-based Fred Meyer, posted a 42% decrease in quarterly earnings.

Chain (Date Quarter Ended)	First Quarter Net Income (Loss) Current Fiscal Year	First Quarter Net Income (Loss) Last Fiscal Year	% Gain (Decrease)	First Quarter Sales	% Gain (Decrease)
Woolworth [A], [F] (4/30/80)	$25,750,000	$ 8,781,000	193.2	$1,516,146,000	9.4
Grand Central [B] (4/27/80)	181,094	86,188	110.1	47,700,000	12.2
Duckwall-ALCO (4/2/80)	543,223	436,262	24.5	34,188,787	1.9
Wal-Mart (4/30/80)	9,455,000	7,158,000	32.0	314,575,000	31.9
Ames [A] (4/26/80)	1,123,000	989,000	13.5	70,154,000	5.1
Caldor [A] (4/26/80)	1,452,030	1,312,294	10.6	116,885,138	14.9
Gemco/Memco [A], [C] (5/4/80)	6,571,000	5,961,000	10.2	362,000,000	14.9
G. C. Murphy [A] (5/1/80)	1,415,000	1,409,000	0.4	168,345,000	1.5
K mart [A] (4/30/80)	39,645,000	45.590,000	(13.0)	2,983,516,000	14.0
Jamesway (5/3/80)	192,000	499,000	(61.5)	55,286,000	23.9
Sterling Stores/ Magic Mart (5/3/80)	95,341	333,792	(71.4)	26,649,485	14.5
Hartfield-Zodys [D] (5/2/80)	703,000	2,599,000	(73.0)	76,374,000	7.0
Pamida (4/30/80)	(463,000)	(847,000)	—	67,239,000	1.0
Gaylords National (3/31/80)	(535,000)	(649,000)	—	23,903,000	9.45
Mars Stores (3/31/80)	(114,010)	(138,190)	—	3,889,799	16.0
King's [A] (5/3/80)	(918,000)	(235,000)	—	118,941,000	11.6
Twin Fair [E] (3/31/80)	(1,927,000)	(1,076,000)	—	47,042,000	6.9
May Co. [A] (5/3/80)	12,408,000	12,561,000	(1.2)	646,568,000	6.7
Federated [A] (5/3/80)	26,500,000	28,100,000	(5.4)	1,322,000,000	9.0
Dayton Hudson [G] (5/3/80)	13,208,000	14,443,000	(8.6)	756,645,000	15.0
Strawbridge & Clothier (5/3/80)	712,294	895,097	(20.4)	79,000,000	9.1
Fred Meyer (4/19/80)	1,473,000	2,539,000	(42.0)	327,302,000	15.1
Penney (4/26/80)	14,500,000	35,300,000	(58.9)	2,350,000,000	0.6
Sears [H] (4/30/80)	(7,000,000)	47,000,000	—	3,507,000,000	3.6
Montgomery Ward (3/31/80)	(46,000,000)	(4,000,000)	—	1,079,000,000	NC

[A] After adoption of LIFO.

[B] 1980 income is after $140,766 nonrecurring gain; 1979 income is after $320,498 tax credit.

[C] Pretax earnings for Gemco/Memco; parent company, Lucky Stores, had net income of $18,858,000, up 7% from $17,703,000.

[D] 1979 income includes $1,360,000 in tax loss carried forward.

[E] Includes operations of Custom Seat Products acquired Jan. 1, 1980 on a purchase basis.

[F] 1980 income includes $20 million refund from Great Britain covering 1975 and subsequent year due under terms of U.S.-British tax treaty; both quarters include equity in net income of British subsidiary and changes in currency valuation that resulted in $3.4 million gain in 1980 compared with $1.6 million loss in 1979.

[G] Retail net earnings exclude discontinued real estate operations.

[H] Results are only for Sears domestic merchandising business. 1980 loss doesn't include $11 million provision for customs duty on imported TVs.

Syracuse Area Market Lures Cook's; 3rd Store Opens, 4th Is Likely

SYRACUSE—Cook's new 55,000-sq.-ft. (selling space) unit is the chain's third in this upstate New York market, and a fourth is likely. Chain executives were staying on after the opening to examine other possible sites.

Why the interest in Syracuse? George Jeffers, president of parent Cook United's retail division explained: "With more stores, we can be more promotional. The area has a good mix of industry, including china, chemicals, specialty steel and two large breweries."

Jeffers went on to point out that the sales plan for the store was not adjusted downward in spite of the slackening economy. Management's optimism comes from Syracuse's diverse industry, and from several merchandising innovations in this Cook's unit.

A new wallpaper section, after extensive testing in other markets, has been added to the paint and home improvement department. Good, better, best merchandising of three basic lines, with 25% of the assortment in the "good" and "best" categories, 50% of the "better," drew high interest from opening-day crowds.

(Continued on page 64)

Cook's new Syracuse store—third in the market area—takes a major position in clocks with this 20-ft. run, 16 ft. across the aisle and an endcap. (DSN photo)

ALCO Trims Store Hours To Control Operating Costs

ABILENE, Kan.—ALCO has begun trimming store hours in an effort to get a handle on operating expenses, according to Robert Soelter, chain president.

The program, which began last month, will be adopted by those stores in the chain whose sales results show a drop-off in productivity, Soelter told DSN.

The hours most likely to be eliminated are from 6 p.m. to 9 p.m. but Soelter emphasized that the ruling is not absolute. In Texas, for example, where Sunday blue laws are in effect, "Saturday night business is too good to disrupt, and thus stores would not be closed early," he explained.

In addition to the store closing announcement, the company reported in its quarterly statement released late last month that corporate sales goals for fiscal 1981 had been adjusted downward from $202 million to $191 million, "in view of first-quarter results and the elimination of seven new stores which were included in the original projection."

"If consumers continue to hold back on purchases," Soelter stated in the report, "that number may change."

For the three-month period ended April 27, 1980, ALCO reported a 24.5% increase in earnings on a 1.9% increase in sales. Soelter attributed this income increase to "a hard-nosed approach to expense control and an improvement in margins."

On same-store sales, however, the company experienced a 4.9% sales decline, according to the quarterly report. This figure does not include sales from the 12 stores opened in calendar 1979.

Film, Flash, Finishing Firm Up Photo Dept. Sales

Special DSN Photo Report

Photo department sales are staying afloat, buoyed by unflagging consumer demand for film, flashbulbs and photofinishing service.

Camera sales, on the other hand, showed some of the signs of weakness reported in other high-technology hard lines.

These mixed results left buyers hoping that this summer's new products—most notably a pocket camera with automatic on/off flash and another with fashionably colored body casings—will generate enough consumer interest to bring equipment sales up to par.

In any event, most buyers say they've not seen enough of a downturn to keep them from putting together a full Christmas program.

"We haven't seen a softening in department sales," reported the Murphy's Mart camera buyer, "except in higher-end goods. Low-end products seem to be doing well."

This downturn in higher-end goods, however, has not affected the chain's Christmas plans. In fact, according to the buyer, the chain is currently testing SLR's (single lens reflex cameras) in 15 of its stores.

"It's the fastest growing segment of the camera market," he said, explaining the decision to begin testing two to five cameras at each of the targeted stores. The top-of-the-line price point is $300, he said.

At Prange-Way, buyer John Dankwardt plans to leave the "peripherals" out of his Christmas buying this year.

"Right now we're just counting on those items with proven track records," he said. By not using its full purchasing power now, he continued, the chain may be able to take advantage of some deals later if there is a further downturn in the market.

Otherwise, Dankwardt said, "photo department sales don't soften as severely or as quickly as other departments'."

Still, the current economy does make it rough for new products, which explains Dankwardt's decision to wait and see how they fare in the market before he adds them to his mix.

(Continued on page 64)

Fishers Big Wheel to Open Six in Mich.

NEW CASTLE, Pa.—Fishers Big Wheel will open six stores in Michigan later this year.

The stores, which will open in Albion, Caro, Bad Axe, Sandusky, South Haven and Saint Johns, will bring to 12 the number of outlets the chain has in the state.

"We thought Michigan presented an opportunity for us," said Marshall Hess, president, "because we already had stores scattered throughout the state."

The new stores, of which only the Albion unit is a takeover building, will each total 43,800 sq. ft. and conform to the chain's usual merchandise presentation, according to Hess.

"We could have reversed our expansion plans, and put off opening the stores," Hess said, alluding to the current economic picture, "but we are looking at our long-range plans and these openings make sense."

Like the other markets where the chain has stores, the Michigan sites targeted for this year's expansion are small towns in the lower half of the state. In fact, only the Albion store has a population of more than 10,000 people. The other targeted towns have an average core population of closer to 5,000.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Microwave-Oven Cookware Biz Starts to Glow

By Howard Bobroff
President,
Myron Nickman Distributors

Three cookware products geared for microwave ovens showed up for the first time on the housewares Product Movement Audit for Jan. 1 through April 26.

Three other microwave-oven-oriented cookware products were among the housewares that showed the greatest gain in total dollar movement.

This growing interest in cookware specifically designed for use in microwave ovens denoted (a) the heightened consumer interest in this type of cooking, and (b) the extensive assortment of frozen foods now packaged for use in microwave ovens.

Other key trends evident on the audit included the domination of the metal cookware area by products with nonstick coatings; the fashion interest in wicker extending to the bath shop, where two Hanson scales with the wicker look were Nos. 7 and 13 as new items, and the Autumn Harvest design showing up on two Pyrex pieces for the first time as Nos. 7 and 13.

More Important Role

The microwave oven cookware that debuted on the report included an Anchor Hocking bacon rack, No. 13 on the cookware listing; and a browning grill and a 10-in. cooker with built-in rack as Nos. 1 and 13 on the Corning Ware chart.

Other cookware geared for use in microwave ovens included the Grab "4" It set, a microwave cookware set, and the Sidekick two-dish set, Nos. 2, 3 and 7 on the Corning Ware report.

(Those items are in addition to the four Pyrex glass cookware items and the undecorated Grab-It set, No. 10 on the Corning Ware list, that also showed up on the PMA.)

Nonstick-finish goods dominated the metal cookware report, with SilverStone items from two manufacturers—Chilton and Wear-Ever—capturing 11 listings, and Ekco's Baker's Secret copping another three places.

One item made its debut in cleaning & chemicals: Purex's Toss 'n Soft fabric softener which was No. 13. The item is a lower-priced alternative to other softeners and denotes the manufacturer's focus on lower-cost goods, also seen in its 147-oz.-size heavy-duty detergent and Sweetheart soap, Nos. 2 and 4.

Size, the larger the better, was the key to plastics good movement, with trash cans in

(Continued on page 11)

HOUSEWARES

Figures supplied by Myron Nickman, a division of Cook United, Maple Heights, Ohio, cover 900 stores, including 125 discount department stores in the Midwest. Average retail prices listed by the distributor reflect typical price points for discount clients.

TABLETOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Expressions 20-pc set, Wildflower	2,741	54.61	149,686.01
2	8	Expressions 20-pc set, Indian Summer	2,158	53.52	115,496.16
3	11	Expressions 20-pc set, Meadow	1,956	54.67	106,934.52
4	2	Corelle 20-pc set, gold	2,847	30.59	87,089.73
5	3	Corelle 20-pc set, green	2,482	30.58	75,899.56
6	9	Corelle 20-pc set, Woodland	2,333	30.60	71,389.80
7	10	Corelle 20-pc set, white	2,259	28.77	64,991.43
8	9	Corelle 20-pc set, blue	1,943	30.11	58,503.73
9	12	Expressions 20-pc set, Batik	665	54.88	36,495.20
10	—	Expressions 20-pc set, Blue Heather	419	53.86	22,567.34
11	7	Corelle 5-pc complete set, Woodland	705	16.44	11,590.20
12	13	Corelle 5-pc complete set, gold	628	16.42	10,311.76
13	—	Corelle 5-pc completer set, white	552	16.00	8,832.00
14	9	Corelle 5-pc completer set, blue	538	16.34	8,790.92
15	15	Corelle 5-pc completer set, green	520	16.51	8,580.00

GLASSWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Anchor Hocking 24-pc st, Nwprt Gld	1,590	7.24	11,511.60
2	2	Anchor Hocking 24-pc st, Nwprt Crstl	867	7.60	6,589.20
3	—	Libbey 6½-oz tall wine, Citation, 4-pk	1,164	3.86	4,493.04
4	6	Libbey 10-oz goblet, Citation, 4-pk	1,050	3.88	4,074.00
5	4	Libbey 6½-oz round wine, Citation, 4-pk	1,032	3.86	3,983.52
6	7	Libbey 12-oz bev, Valleybrook, 8-pc	660	5.24	3,458.40
7	8	Libbey 12-oz bev, Meadow, 8-pc	606	5.26	3,187.56
8	—	Libbey 1-oz cordial, Citation	822	3.84	3,156.48
9	—	Anch Hckng 5½-oz stm wne, Wxfd 4-pk	558	5.59	3,119.22
10	—	Libbey 12-oz bev, Harvest Time 8-pk	630	4.93	3,105.90
11	—	Libbey 6¼-in Crystal egg jar	3,012	1.02	3,072.24
12	—	Anchor Hocking salt & pepper set, Wxfd	948	3.22	3,052.56
13	10	Libbey 6½-oz sherbet, Citation, 4-pk	786	3.85	3,026.10
14	—	Libbey 2-gal crystal milk bottle	248	1.19	2,951.20
15	—	Anchor Hckng cndy dsh w/cvr, Wxfd	954	3.05	2,909.70

COOKWARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Chilton 11" saute pn, almnd, SlvrStne	4,068	7.92	32,218.56
2	—	Chilton 7⅞" saute pn, almnd, SlvrStne	3,456	5.75	19,872.00
3	—	Chilton 10" fry pan, alum, SilverStone	2,592	7.46	19,336.32
4	—	Chilton 11" griddle, alum, SilverStone	2,204	7.64	16,838.56
5	1	Wear-Ever 10" ste pn, Prm, SlvrStne	1,780	9.21	16,393.80
6	—	Chilton 7½" fry pn, alum, SlvrStne	2,704	5.28	14,277.12
7	3	Wear-Ever 12" ste pn, Prmum, SilvrStne	744	11.98	8,913.12
8	12	Ekco 1" deep Baker's Secret cookie sheet	3,660	2.34	8,564.40
9	7	Wear-Ever 10" fry pn, Prmum, SilvrStne	716	11.90	8,520.40
10	—	Chilton 9⅓" saute pn, almnd Slvr Stne	1,080	7.56	8,164.80
11	4	Wear-Ever sqre grddle, Prmum, SilvrStne	844	10.08	8,507.52
12	2	Wear-Ever 8" fry pan, Prmum, SlvrStne	948	7.76	7,356.48
13	—	Anchor Hocking bacon rack, microwave	1,536	4.62	7,096.32
14	9	Ekco Baker's Secret oblong bake pan	3,264	2.09	6,821.76
15	—	Ekco ¾" dp Baker's Secret cookie sheet	2,988	2.09	6,244.92

GADGETS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Swing-A-Way hand can opener, chrome	2,772	2.76	7,650.72
2	1	Rhodes timer, mini-minder	1,494	4.68	6,991.92
3	3	Swing-A-Way hand can opnr, jr prtbl	2,832	1.39	3,936.48
4	8	Range Kleen 6" reflector bib	1,908	1.96	3,739.68
5	9	Range Kleen 8" reflector bib	1,524	2.35	3,581.40
6	4	Frigidaire ice cube tray	3,592	0.98	3,520.16
7	—	Ekco small nylon tmr, blk hnd	2,670	1.30	3,471.00
8	—	Gemco food chopper	2,076	1.60	3,321.60
9	—	Ekco small nylon pnck tmr, blck hnd	2,550	1.30	3,315.00
10	—	Foley 16¼" rolling pin	1,296	2.55	3,304.80
11	—	Foley 18" rolling pin	792	4.07	3,223.44
12	—	Foley 3-cup sifter	1,704	1.86	3,169.44
13	7	Foley 2-qt food mill	492	6.41	3,153.72
14	6	Foley 4-pc measuring pan set	876	3.58	3,136.08
15	12	Ekco paring knife	2,700	1.04	2,808.00

(Continued on page 11)

MOTORCRAFT

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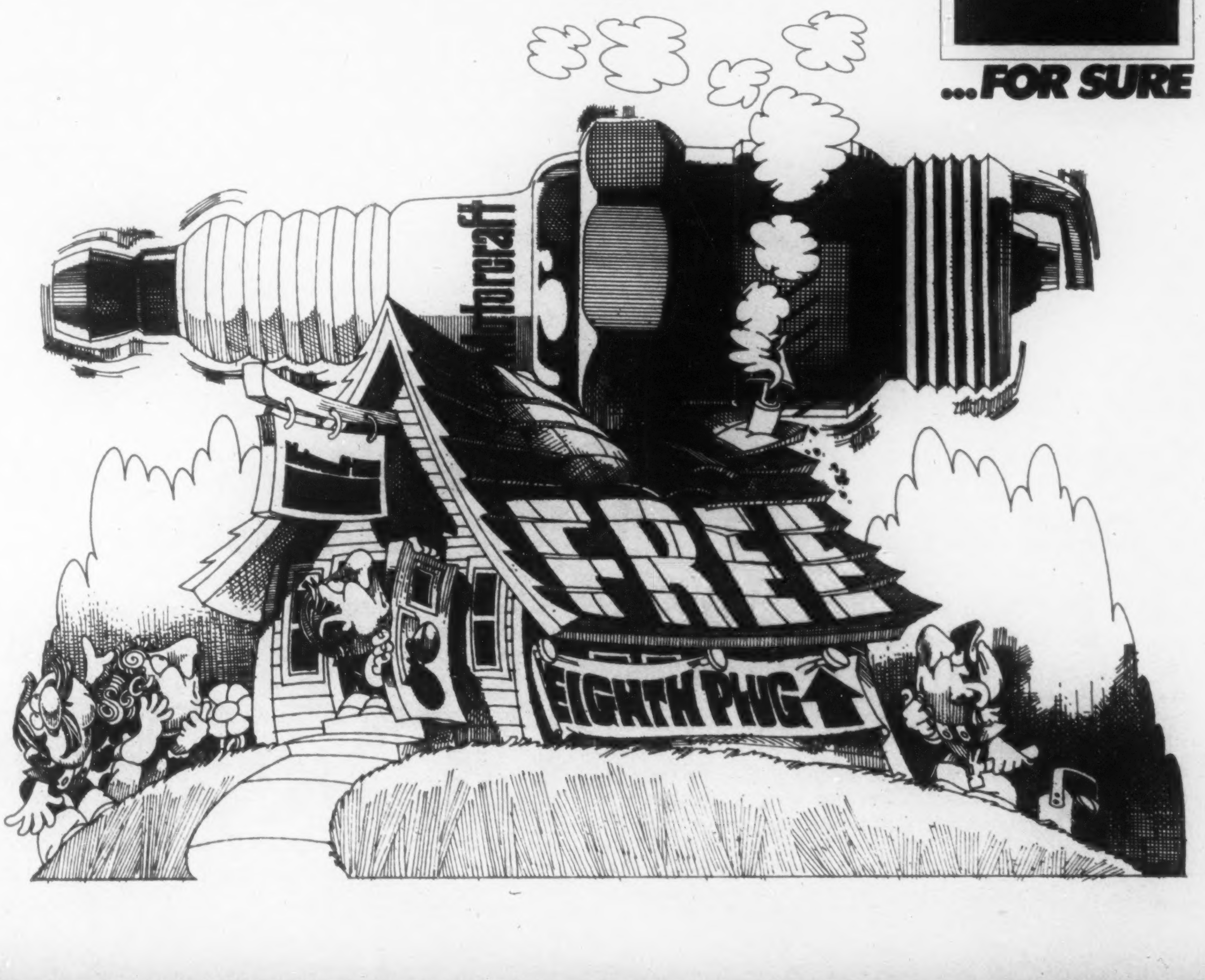


Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Microwave Oven

(Continued from page 7)

the over-20-gal. capacity from Lustro-Ware and Fesco accounting for eight of the listings. Consumers went for the larger sizes as part of the spring cleanup effort, with those items favored as replacement goods because of their greater capacity.

The seasonal interest in housewares wasn't limited to cleanup. Gearing for entertaining was also a consumer activity and it was evident in the strong showing of Citation-design barware. Five Libbey glassware items in this pattern made the report.

The top two places in glassware went to 24-pc. Anchor Hocking sets in Newport gold and crystal designs. The low price for this number of pieces

(Continued on page 46)

Up 'n' Coming In the Midwest

The following "High Risers" chart lists items (and their rank) that have moved up five or more places from the previously published Myron Nickman Distributors Housewares PMA. In addition, under the heading "New Items" are the items (and their rank) that are appearing for the first time on the report.

Category/Item	Rank
HIGH RISERS	
TABLETOP	
Expressions 20-pc set, Wldflwer	2
Expressions 20-pc set, Meadow	3
Exprssns 20-pc set, Blu Hther	10
Corelle 5-pc cmpltr set, wht	13
GLASSWARE	
Libbey 6½-oz tall wine, Citation	3
Libbey 1-oz cordial, Citation	8
Anchor 5½-oz stm wn, Wxfrd	9
Libbey 12-oz bev, Harvest Time	10
Libbey 6¼-in Cystal egg jar	11
Anchor slt & peppr set, Wxfrd	12
Libbey 2-gal Cystal milk bottle	14
Anchor cndy dsh w/cvr, Wexford	15
COOKWARE	
Chilton 11-in ste pn, almd, SilStn	1
Chltn 7⅞-in st pn, almd, SilStn	2
Chilton 10-in fy pn, alum, SilStn	3
Chilton 11-in grddl, alum, SilStn	4
Chilton 7½-in fr pn, alum, SilStn	6
Chilton 9⅓-in st pn, almd, SilStn	9
Ekco ¾-in dp Bkr's Scrt cky sht	15
GADGETS	
Ekco small nyln turnr, blck hnd	7
Ekco sml nyl pnck trn, blck hndl	8
Gemco food chopper	9
Foley 16¼-in rollng pin	10
Foley 18-in rolling pin	11
Foley 3-cup sifter	12

(Continued on page 46)

Caldor Sales Up 15% in April

NORWALK, Conn.—Caldor reported a 15.3% gain in April sales, to $41.2 million for the four-week period. Sales for the 13-week quarter, also ended April 26, increased to $116.9 million, 14.8% over the previous first quarter.

Caldor operated 50 stores last year, and 58 in 1980, two of which did not open until March.

HOUSEWARES

(Continued from page 7)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
PLASTICS					
1	2	Lustro-Ware 24-gal trash can, green	3,102	11.37	35,269.74
2	15	Lustro-Ware 9-qt rect waste basket	7,752	1.69	13,100.88
3	3	Fesco 32-gal trash can, avocado	990	12.40	12,276.00
4	9	Lustro-Ware 44-qt rect waste basket	2,520	4.03	10,155.60
5	—	Lustro-Ware 24-gal domed trash can	732	12.81	9,376.92
6	10	Fesco 1½-bush round wicker baskt	3,738	2.44	9,120.72
7	—	Alabaster 30-oz tumbler	23,784	0.37	8,800.08
8	—	Lustro-Ware 11-qt heavy duty pail	5,136	1.71	8,782.56
9	4	Lustro-Ware 12-gal container, spring top	1,152	6.94	7,994.88
10	1	Fesco 20-gal trash can, avocado	1,062	7.07	7,508.34
11	7	Alabaster dust pan	17,184	0.43	7,389.12
12	13	Fesco 40-qt round basket, gold	2,010	2.95	5,929.50
13	—	Fesco 40-qt round basket, avocado	1,986	2.95	5,858.70
14	—	Lustro-Ware oval laundry basket	1,764	2.86	5,045.04
15	—	Lustro-Ware 44-qt container, fliptop	876	5.75	5,037.00
CLEANING AND CHEMICALS					
1	2	Stick Goods 8" Roll-O-Matic mop	5,520	6.71	37,039.20
2	4	Purex 147-oz heavy duty detergent	4,134	4.67	19,305.78
3	—	Texize Fantastic 32-oz spray	16,884	1.12	18,910.08
4	—	Purex Sweetheart 22-oz dish liquid	33,300	0.49	16,317.00
5	15	Bissell aerosol upholstery shampoo kit	5,568	2.70	15,033.60
6	7	3M Scotch Guard 16-oz	4,368	3.44	15,025.92
7	—	Stick Goods heavy duty corn broom	4,872	3.05	14,853.30
8	—	Johnson Future 46-oz liquid	3,858	3.85	14,853.30
9	—	Texize Glass Plus 32-oz spray	14,040	1.02	14,320.80
10	—	Dracket corn broom light & easy	3,768	3.79	14,280.72
11	—	Purex Brillo pads, 10-count	25,584	0.55	14,071.20
12	1	Airwick Carpet Fresh 14-oz	7,536	1.84	13,866.24

(Continued on page 46)

K mart's Annual Meeting

(Continued from page 2)

mation Network) system, now installed in some 300 locations, with on-line capability to some vendors. Dewar predicted more than 700 KIN installations by the end of 1980, and some POS data retrieval testing.

Dewar also touched on the chain's distribution system, pointing out that by 1983, 11 distribution centers would be in operation (there are five now), bringing most K mart stores within one day's travel, "improving turns and reducing store inventories."

But Dewar's final point underscored the chain's merchandising preparation for the 1980's:

"A change of emphasis will refocus management efforts on store appearance, merchandising and store operations," he said.

Neither Dewar nor Fauber made mention of K mart's recent decision to test an upgraded racetrack store design or upgraded merchandise presentations, but the theme of the shareholders meeting was K mart's preparation to improve its market share during the 1980's—a share that already ranges from 1% to 10% in specific markets.

In a decade when management of many chains will be concentrating on operational economies, K mart remains focused on increased market share—in past years through simple expansion, now through both expansion and merchandise refinements.

Lucky Stores

(Continued from page 2)

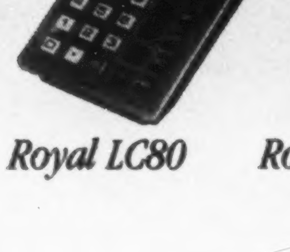
creased dividend payments.

In light of Lucky's planned offerings of $50 million of notes due June 1, 1987, and $50 million of sinking fund debentures due June 1, 2005, Ritchey said officers were cautioned against making any remarks about future expansion plans.

In 1980, Lucky plans to commit $135 million in capital expenditures to open between 170 and 180 new units and to complete 45 major remodels in all divisions.

Gemco/Memco will enter North Carolina this year and further expand its Nevada, Arizona, Maryland and Virginia operations. Gemco/Memco combined will open 6-10 new units per year over the next few years.

Date function
Invoice function
Item count function
Seiko printhead
ROYAL 110PD
CALCULATOR
ADDER



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ROYAL

ROYAL BUSINESS MACHINES, INC.
CONSUMER PRODUCTS

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HOUSEWARES

(Continued from page 11)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
13	—	Purex Toss 'n Soft, 40-count	7,896	1.73	13,660.08
14	—	Drackett sponge mop, speed scrub	3,168	4.14	13,115.52
15	—	Johnson Lemon Pledge 14-oz	6,804	1.92	13,063.68

BATH SHOP

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Selfix portable shower spray	888	6.65	5,905.20
2	1	Selfix shampoo spray	3,192	1.51	4,819.92
3	—	Gray shower caddy, white	2,094	2.00	4,188.00
4	3	Ekco 18" towel bar, chrome	2,856	1.46	4,169.76
5	4	Ekco toilet tissue holder, chrome	2,760	1.43	3,946.80
6	—	Gray king size shower caddy, white	1,008	3.49	3,517.92
7	—	Hanson scale, wicker, white	240	14.20	3,408.00
8	8	Selfix toilet tissue holder, plastic	3,240	1.05	3,402.00
9	10	Selfix 24" towel bar, plastic	2,172	1.47	3,192.84
10	14	Selfix 18" towel bar, plastic	2,412	1.32	3,183.84
11	5	Ekco 24" twin towel bar, chrome	1,362	2.30	3,132.60
12	7	Ekco 24" towel bar, metal	1,752	1.78	3,118.56
13	—	Hanson scale, wicker, white	212	14.17	3,004.04
14	—	Selfix twin hook, 2-pack	3,516	0.84	2,953.44
15	11	Ekco 18" twin towel bar, chrome	1,368	2.04	2,790.72

RUBBERMAID

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	32-gal Refuse container, Roughneck	606	17.81	10,792.86
2	—	Covered wastebasket, chocolate	1,962	4.83	9,476.46
3	2	20-gal Refuse container, avocado	936	9.70	9,079.20
4	3	Delux dish drainer, gold	2,094	4.03	8,438.82
5	—	Ice cube tray, blue	16,656	0.50	8,328.00
6	11	10¾" Rectang laundry basket, almond	2,274	3.47	7,890.78
7	—	Covered wastebasket, gold	1,656	4.76	7,882.56
8	10	10¾" hi Rectang laundry basket, choc	2,250	3.47	7,807.50
9	—	10¾" hi Rectang laundry basket, gold	2,190	3.47	7,599.30
10	4	Delux dish drainer, chocolate	1,842	4.03	7,423.26
11	8	15¾" Drainer tray, gold	2,496	2.93	7,313.28
12	5	Delux dish drainer, almond	1,704	4.02	6,850.08
13	14	10¾" hi Rectang laundry basket, orange	1,932	3.44	6,646.08
14	—	15¾" Drainer tray, almond	2,238	2.93	6,557.34
15	—	10¾" hi Rectang laundry basket, avoc	1,830	3.43	6,276.90

CORNING WARE

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Microwave browning grill	2,223	16.56	36,812.88
2	9	Grab-4-It set	2,595	13.17	34,176.15
3	12	Microwave set	922	28.38	26,166.36
4	—	Cook's Choice set, Wildflower	525	41.86	21,976.50
5	3	Menu-ette set, Cornflower	1,424	13.61	19,380.64
6	10	Open roaster, large, Cornflower	953	15.51	14,781.03
7	13	Sidekick	2,907	4.86	14,128.02
8	7	Menu-ette set, Wildflower	746	17.40	12,980.40
9	—	6-cup Teapot, Spice	1,109	11.26	12,487.34
10	1	Grab-It set	1,683	7.22	12,151.26
11	—	3-qt Saucepan, Spice	859	13.82	11,871.38
12	11	Cook's Choice, Spice	260	42.36	11,013.60
13	—	10" Microwave cookr w/ built-in rack	847	12.32	10,435.04
14	—	2½-qt Casserole, Spice	727	13.47	9,792.69
15	—	Kitchen Starter set, Cornflower	370	25.82	9,553.40

PYREX

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	3-qt Oblong bake dish w/basket	1,856	10.19	18,912.64
2	—	4-pc Bowl set w/handle, gold	1,252	9.62	12,044.24
3	—	3-pc Casserole set, gold	796	10.85	8,636.60
4	—	2-liter Juice jar	3,756	2.24	8,413.44
5	4	4-pc Bowl set w/handle, green	864	9.35	8,078.40
6	12	4-pc Bowl set w/handle, Woodland	776	10.05	7,798.80
7	—	4-pc Bowl set 2/handle, Autumn Harvest	720	9.70	698.40
8	3	3-qt Oblong bake dish	1,650	3.91	6,451.50
9	—	2-qt Casserole w/basket	576	10.18	5,863.68
10	9	6-cup Percolator	572	9.77	5,588.44
11	10	2-qt Oblong bake dish	1,398	3.54	4,948.92
12	5	1-cup Liquid measure	3,120	1.51	4,711.20
13	—	3-pc Casserole set, Autumn Harvest	388	11.16	4,330.08

Source: Myron Nickman Distributors

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Microwave-Oven

(Continued from page 11)

was the key to the showing.

The gadget report included a number of items that heralded the upcoming canning season. These included a Gemco food chopper, Foley 3-cup sifter and 2-qt. food mill, and Ekco paring knife, Nos. 9, 12, 13 and 15. These products, besides their yearlong use, are important aids for preparing foods for home canning.

The color scene in the Rubbermaid listing was as follows: Gold captured the most items, four, with chocolate and almond tied with three each, and avocado with two.

This array in favor of two more-or-less neutral colors, gold and almond, and only one strong shade, chocolate, indicated that consumers are interested in more muted colors.

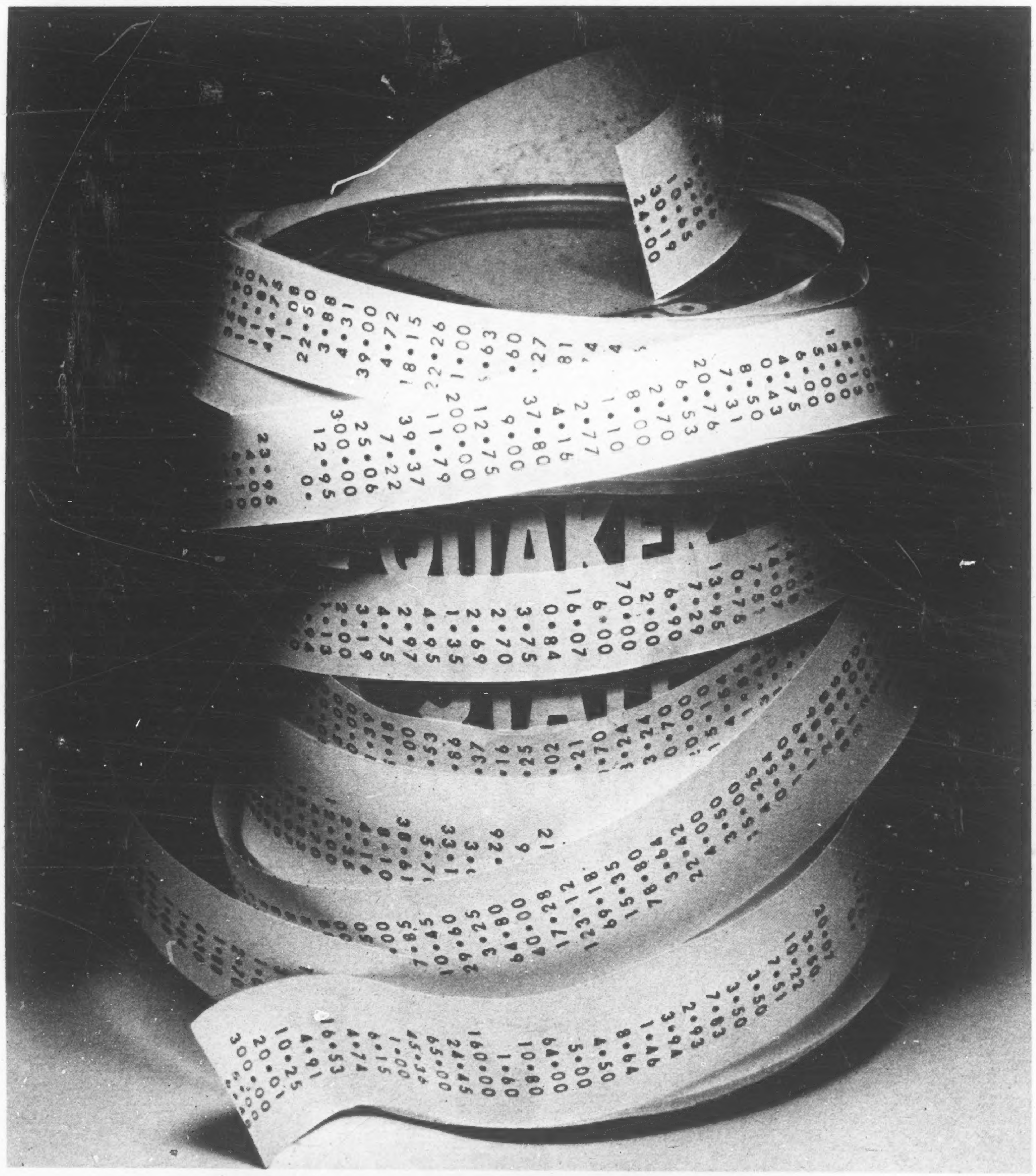
In Midwest

(Continued from page 11)

PLASTICS	
Lustro 9-qt Rect waste baskt	2
Lustro 24-gal dome trash can	5
Alabaster 30-oz tumbler	7
Lustro 11-qt heavy duty apil	8
Fesco 40-qt round baskt, avoc	13
Lustro oval laundry basket	14
Lustro 44-qt container, fliptop	15
CLEANING & CHEMICALS	
Texize Fantastic 32-oz spray	3
Purex Sweatheart 22-oz dish lqd	4
Bissell aerosol uphlstry shmp kt	4
Stick Goods hvy dty crn brm	7
Johnson Future 46-oz liquid	8
Texize Glass Plus 32-oz spray	9
Drackett corn broom, lite & easy	10
Purex Brillo pads, 10-count	11
Drackett sponge mop, spd scrub	14
Johnson Lemon Pledge, 14-oz	15
BATH SHOP	
Gray shower caddy, white	3
Gray king size shower caddy, wh	6
Selfix twin hooks, 2-pk	14
RUBBERMAID	
Covered wastebasket, choc	2
Ice cube tray, blue	5
10¾-in. hi Rectng ldry bskt, alm	6
Covered wastebasket, gold	7
10¾-in. hi Rectng lndry bsket, gld	9
15¾-in. Drainer tray, almd	14
10¾-in. hi Rectng lndry baskt, avoc	15
CORNING WARE	
Grab "4" It set	2
Microwave set	3
Cook's Choice, set, Wldflwr	4
Sidekick	7
6-cup Teapot, Spice	9
3-qt Saucepan, Spice	11
2½-qt Casserole, Spice	14
Kitchen Starter set, Crnflwer	15
PYREX	
3-qt Oblng bk dsh 2/bkst	1
4-pc Bowl set w/hndl, gold	2
3-pc Casserole set, gold	3
2-liter Juice jar	4
4-pc Bowl set w/hndle, Woodlnd	6
2-qt Casserole w/basket	9

NEW ITEMS

COOKWARE	
Anchor bacon rck, microwave	13
CLEANING & CHEMICALS	
Purex Toss 'n Soft, 40-ct	13
BATH SHOP	
Hanson scale, wicker, white	7
Hanson scale, wicker, choc	13
CORNING WARE	
Microwave browing grill	1
10-in. Microwave cooker w/rack	13
PYREX	
4-pc Bowl set w/hdnl, Autm Hrvst	7
3-pc Casserole set, Autmn Hrvst	13



Last year Quaker State rang up over 30% of all mass merchandiser motor oil profits.

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CONSUMER ELECTRONICS SHOW SECTION

13-in. Color TV's Pace CE Biz as Economy Pinches

Nationwide DSN Report

Portable televisions and low-cost clock-radios loaded with features have become hot items in a consumer electronics industry beginning to feel the pinch of a tight economy.

Discounters said customers, looking to avoid the skyrocketing cost of gasoline and vacationing, are boosting purchases of products geared to at-home recreation.

Especially strong sellers in the consumer electronics area are 13-in. color portable and AC/DC black-and-white TV sets.

The Outlook: Lower-ticket Items to Gain

The 1980 outlook for consumer electronics items includes:

- Stepped-up consumer demand for portable televisions. Thirteen-inch color and AC/DC black-and-white models will be particularly popular as more people seek at-home activities.
- Price drops on television games. New, more sophisticated models are due to start coming on the market within a year, however, and some retailers may get stuck with obsolete equipment.
- Fast movement on low-to-medium-ticket portable items with plenty of features. High-ticket items and heavy items such as console televisions won't move as fast as the year progresses.

Almost as hot are the lesser-known makes of clock-radios and tape decks that can still be purchased at the same price that brand names cost more than a year ago.

"It was kind of slow last month, but we're really beginning to pick up on small-screen portables and on the type of things you can carry with you," said a buyer for FedMart.

The optimistic note came amidst comments by some discounters that the worsening economy may be about to catch up to the consumer electronics department.

Already hard hit, said buyers for some of the nation's larger chains, are the fringe items—equipment at the top and bottom of all lines that may be attention getters but that never accounted for much in sales.

Discounters are also reporting sales drops in top-of-the-line and brand name models of clock-radios and home sound equipment.

"Something's happening out there, and I don't think its going to be fun," explained Richard Millner, an ALCO buyer. "It's the economy."

Most chains surveyed said last Christmas went well, but that sales have begun to suffer since then.

"It only hit us in the last four weeks," explained Michael LaComba, of lessee Starlett Stores, which sells consumer electronics in Treasure City and Laneco discount department stores.

"It could get very, very rough out there," he warned.

Discounters said they've been able to minimize the effects of the tight economy by recognizing changing consumer demand.

Seeking the greatest value, consumers are scrambling for the largest number of features at the lowest possible price.

STEREO COMPONENTS

Inventory watching, upscale merchandising (a la its Ward parent) give Jefferson an edge over an economy that has most CE buyers looking grim. (DSN photo)

In the coming months, consumers are going to be looking for items such as weather bands on radios, and tape decks that can play both 8-track and cassette tapes, according to discounters from various chains.

The net result of the changing economy for the chains, said Lowell Corbin, vice president of Mr. Wiggs, has been a "return to the basics."

"We're taking an introspective look at ourselves and asking who we really are and how we can best be of service to our customer."

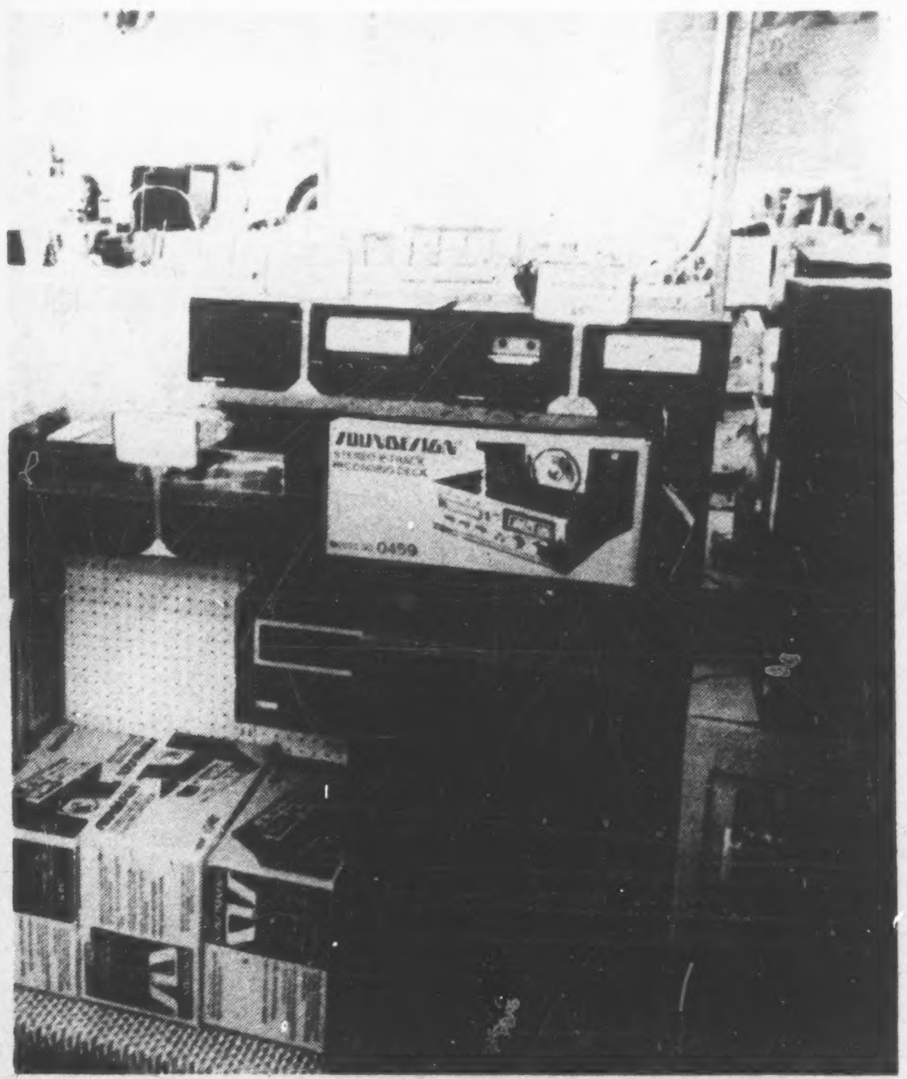
The new priority, he said, includes stocking a heavy percentage of small radios and cassette players—the kind that can be purchased for relatively little money and carried home.

In addition Corbin said he's had luck pushing items with a large number of features—even if they tacked a bit onto the price. Mr. Wiggs' hottest item so far has been an AM-FM radio that plays cassette and 8-track tapes.

ALCO's Millner is also trimming all the fat from department inventory. He said he's eliminating all the "window dressers"—items carried to give customers the impression that a complete line is sold, but that "do not hold their own."

A Gold Circle buyer said his chain has been experiencing strong television sales. But he offered another reason than the gas shortage for the trend:

"It's still part of the American way of life to keep up with the Joneses, and they're doing it by getting another television."



Discounters around the country report increased consumer demand for moderately priced stereo systems. Barkers, Metairie, La., is among those retailers stocking shelves accordingly. (DSN photo)

Discounters Hold Margin Line; Section Size Keeps Growing

The gross margin of discount chains' consumer electronics departments appears to have held its own last year in the face of skyrocketing energy costs and the ravages of inflation.

With the final tallies in, the chains' gross margin remained at 21% in 1979, only one percentage point under the 22% of 1975-77.

The departments are becoming larger—2.5% bigger, at 2,000 sq. ft., than in 1978. That's a whopping 89% larger than in 1974.

Annual turns of merchandise remained steady at three, while the volume per square foot was up 1.5% over the previous year's figure of $203.34.

The initial markup on merchandise was steady at 26%—up from the 25% recorded in 1972 and the 24% in 1973, but unchanged since 1975.

	1972	1974	1975	1976	1977	1978	1979	8-year change	5-year change	'79 vs. '78
Dept. Size (sq. ft.)	1,200	1,058	1,145	2,215	1,950	1,950	2,000	+66.6%	+89.0%	+2.5%
Annual Turns	3.2	3.4	3.5	3.1	3.1	3.0	3.0	−6.3%	−11.8%	NC
Volume per sq. ft.	$195.00	$185.00	$181.00	$196.61	$197.23	$203.34	$206.44	+5.9%	+11.6%	+1.5%
Initial Markup	25%	24%	26%	26%	26%	26%	26%	+4.0%	+8.3%	NC
Gross Margin	21%	20%	22%	22%	22%	21%	21%	NC	+5.0%	NC

NC—no change

Source: DSN Research

7/30/80 C 5150-203

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Health & Beauty Aids—P. 14

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This Is It: K mart's Upscale Apparel-Display Prototype

LODI, N.J.—The first step in K mart's apparel upgrade away from piperack traditionalism was unveiled in a test store here.

The effects of this experiment by discounting's conservative, No. 1 chain will have far-reaching impact on the industry.

If successful, and implemented in all K mart stores, the upgrade will make K mart a much tougher competitor of the many regional chains that have not yet upgraded their apparel merchandising, and improve the chain's performance against the tradeup regional chains.

If unsuccessful, abandonment of the upgrade will signal K mart's surrender of a portion of the discount market to more innovative and imaginative merchandisers.

The ladies' wear department here was given a brand new fashion look and a race-track aisle.

In place of the 30-ft. piperacks and price-appealing basic apparel that are K mart's stock in trade, fashion merchandise is arrayed on rounds, deltas and waterfalls along the entire left front quadrant of the store.

Merchandise is displayed almost exclusively in style or color groups—the exception being delta racks of jeans organized by size. The 140-ft. race track aisle runs the length of the department before it dead ends in lingerie. The aisle is not a race track—it does not continue around the entire store—but gives that appearance because K mart has outlined its 4-ft. width

(Continued on page 8)

This 4-ft. wide, 140-ft.-long race track-style aisle runs the length of ladies' wear at the K mart in Lodi, N.J., but dead ends in lingerie at the far wall. (DSN photo)

SPORTSWEAR
Color, excitement and style—a full-force fashion statement—are the key characteristics of K mart's new apparel department presentations. The department went from just a few rounds along the T-aisle and in the window, to nothing but rounds, deltas and waterfalls—and merchandising by style and color. (DSN photo)

54 SPARC Finalists Selected

NEW YORK—Fifty-four finalists have been selected in the *Discount Store News* SPARC (Supplier Performance Award by Retail Category) contest. *See list p. 5.*

The finalists, three manufacturers in each of 18 product categories, were selected in a poll of discount store buyers who were asked to identify the five best suppliers in their merchandise category.

Weighted values were given to first-, second-, third-, fourth- and fifth-place votes, and the three highest-scoring suppliers became the finalists in each category.

Each group of finalists will now be voted on by general merchandise managers of discount department store chains, who in a similar fashion will decide the winner, first runner-up and second runner-up.

The winners of the SPARC balloting will receive their awards at *Discount Store News'* annual SPARC banquet, to be held this year on Sunday, Aug. 10, at the Marriott Hotel in Chicago—while retailers and suppliers are in town for the hardware show. A cocktail party will precede the banquet at 7 p.m.

Also at the annual SPARC banquet, Caldor founder and president Carl Bennett will be honored as the Discounter of the Year. Wal-Mart founder and chairman Sam Walton will be inducted into DSN's Discounting Hall of Fame.

Women's Outerwear For Fall

Short Story: Buyers Tout Vests, Jackets

DSN Apparel Report

Vests will take off and jackets increase their sales share in discount store outerwear departments this fall, buyers predict.

Up and coming are familiar ski wear looks—nylons, poplins, and down—revitalized in designer shades, bright colors and whites. Buyers also expect fake furs and suedes to be hot items.

Full-length coats, however, are being passed over by consumers searching for lower-ticket garments and buyers looking for faster-turning merchandise.

With the coat de-emphasis passes the influence of wool-type fabrics.

The current variety of new materials is echoed in styles, which buyers are massing-in to capture scarce consumer dollars.

It's happening already at K mart Apparel, where traditional coat business is slacking off, giving way to shorter-length garments.

"It's not dramatic. Coats haven't dropped from 60% to 10% of the mix. But they may have dropped from 60% to 55%," said Bob Rosenberg, a buyer for the K mart subsidiary.

With the average price for a

(Continued on page 31)

2 of 3 Woolcos in Atlanta Area Will Be Shuttered by July 15

ATLANTA—Woolco is retreating from Atlanta.

Aggressive competition, low-traffic locations and an inability to overcome per-store operating costs are forcing the industry's second-ranked chain to close two of its three stores here by July 15, according to a spokesman for the chain.

The two stores, both 100,000-sq.-ft.-plus units—one in Atlanta and a second in suburban Marietta—will be taken over by Burlington Coats, a factory outlet operation.

"We prefer to consolidate our position in other, more profitable markets," the spokesman said. The Woolco stores have been in Atlanta since the late 60's.

Atlanta, where K mart and Richway dominate with 15 and 18 stores, respectively, was never one of the markets targeted by Woolworth/Woolco management for expansion (clustering).

Cities and areas selected to bear the weight of the company's growth—among them New Orleans, Washington, Tampa, Fla., San Antonio, Nashville, Denver, Philadelphia and Long Island—were those where a strong store base had already been established.

"When we believed Long Island was a market for us," the spokesman said, "we opened five stores in one day."

This was not the case in Atlanta, where according to many of the chain's competitors, the three stores never made a name for themselves.

It seems doubtful that the one remaining Atlanta store, a 118,000-sq.-ft. anchor in the Stewart-Lakewood Shopping Center, will be able to do what three stores could not.

The spokesman added that the company would continue to operate its Georgia Woolworth stores and the eight-year-old 85,000-sq.-ft. Woolco in Waycross, a town of 17,000 in the southeastern corner of the state—and the home of a new, 55,000-sq.-ft. K mart.

Korvettes Plans to Ax Another 2,000 Employees; Denies It Will Close All But 18 of Its 36 Stores

NEW YORK—Korvettes plans to fire another 2,000 employees during the next two to three months as part of its recovery effort.

The cutback, acknowledged by a company spokesman at presstime, follows earlier staff reductions that have seen 3,000 employees let go at both the headquarters and store level.

The spokesman denied a report that the chain's financial recovery plan, now being considered by its major bank lenders, calls for the discounter to close all but 18 stores in the metropolitan New York area.

Such a move would see the chain shut 18 stores. It would pull out of the Detroit and metropolitan Washington, D.C., markets and close the two operational stores in Philadelphia.

The cutback could see as many as 100 employees dropped from the stores that Korvettes would continue to operate.

The latest staff reduction would affect employees at both headquarters and store level, as did the previous cutbacks which also saw a number of top merchandisers leave the discounter.

Frank Arone, vice president and divisional merchandise manager for men's apparel, has left the company.

Among the Korvettes that would be retained in the New York area under the financial recovery plan are the stores in Herald Square, the Bay Ridge unit in Brooklyn and the Pelham store just north of New York.

Korvettes continues to decline comment on reports that it will move its headquarters to the Herald Square store from its current space in an office building.

Japanese-Owned Discounters to Remodel in Hawaii

Discount Store News continues with its coverage of a major head-on battle that is shaping up in Hawaii. In the last edition the stage for the battle was set. Now the rivals square off for the fight.

HONOLULU—It was last December when the first in a series of events occurred that would rock the discount store industry in the nation's 50th state.

The three stores owned by the bankrupt Parkview-GEM company were acquired for $7.5 million by Hawaii-Seiyu, a subsidiary of Japan's Seiyu Stores.

But it wasn't until two months later when Daiei Inc., Japan's largest retailer, with sales in excess of $5 billion, acquired Holiday Mart's three Oahu stores for $15 million that it became apparent that a major head-on confrontation was in store.

In the next year alone, Holiday Mart intends to upgrade its Honolulu store with new ceilings, fixtures and floors—moves that Daiei's general merchandising manager Darrel Brungardt hopes will result in a 30% to 40% increase in sales per square foot.

And even greater profits may be in store for the chain—which is already making $180 per square foot without its supermarket figures included—when the operations of several leased departments are assumed by the company by the end of the year.

Not to be outdone, GEM of Hawaii is planning to sink between $1 million and $1.3 million over the next few years into remodeling its 77,280-sq.-ft. Dillingham Boulevard store, which houses the corporate offices.

And the present 16,848-sq.-ft. warehouse on the same site will be converted into additional selling space while a new 30,000-sq.-ft. warehouse is built.

Officials of both chains declined to predict the outcome of the battle and warned that comparisons between the two chains are difficult to make.

For example, GEM is more oriented toward soft goods while Holiday Mart is heavily oriented toward food.

The situation is further complicated by the fact that the Islands' top retailer, Duty Free Shoppers, may have some of its market pulled away if other chains are eventually granted duty-free licenses. The only present licensee is Duty Free Shoppers.

GEM, however, may have an edge in the competition.

Glenn A. Kaya, GEM president, is reputed to be a sharp merchant and somewhat of a financial wizard who has the advantage of having been born and raised on the Islands.

"Whenever you have an insular society," Kaya is fond of saying, "it is difficult for outsiders to come in and find the key."

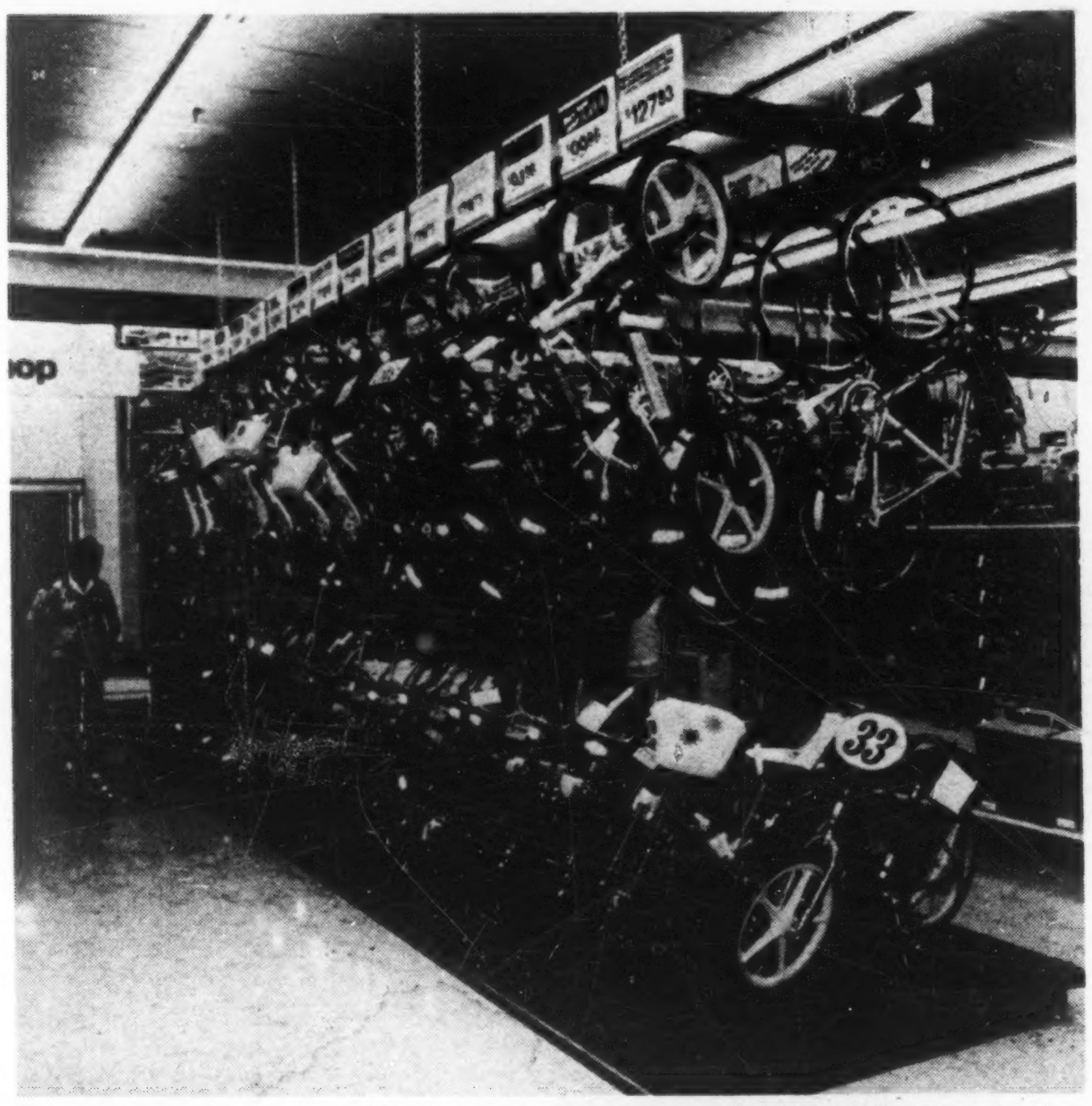
Some security analysts have said this may be why such retailers as Pay Less Drug (Calif.), now part of Pay Less Northwest, never fared particularly well on the Islands.

Daiei (USA) officials are quick to note, however, that "outsiders" such as themselves have some strong points.

Their entry into Hawaiian retailing began in 1972 with the opening of the Pearlridge store.

It was only the second time in

(Continued on page 28)



Bikes have been identified as a key category by Wal-Mart (as in the Rogers, Ark., store), and chain's unit sales are expected to hit 120,000 this year. (DSN photo)

Buyers Expect to Peddle Bikes At Record Pace; Dirt Style Hot

DSN Nationwide Report

Discounters—riding high on a growing health craze and on popular new styles from California—say they expect to roll in big profits as customers roll out bicycles in record numbers.

Unit sales on bicycles were reported to have increased by as much as 17% last year, and some buyers are predicting increases of 5% to 10% more this year.

Largely responsible for the strong sales are styles resembling dirt bikes that originated in California two years ago, and are beginning to take the country by storm.

But three- and 10-speed bicycles, which began to soar in sales during the 1979 gas lines, are still big sellers. Buyers for chains such as Woolco, Hills and Gibson's said they will continue to do well for the foreseeable future.

"For the first time ever last year, more bicycles were sold nationwide than cars," explained a Gibson's buyer, "and there's a good chance this year will be even better."

Buyers for most of the firms surveyed said they expected motocross styles to remain strong at least through Christmas and probably well into next year.

Spokesmen for Barkers and several other major chains said another big trend is already building in California that will

(Continued on page 29)

King's, Seeking Barkers and Franklin, Holds Preliminary Talks With Cornwall

NEWTON, Mass.—For the second time this year, King's is involved in acquisition talks. The Massachusetts-based retailer is now trying to gain control of Barkers and Franklin Stores, both owned by Cornwall Equities Ltd., parent of King's.

Earlier this year, Cornwall, headquartered in New York City, acquired King's. Cornwall, a privately owned holding company, owns approximately 12% of King's stock.

Not Settled

At presstime, acquisition talks were in the preliminary stages and were being reviewed by the boards of directors of both King's and Cornwall. A specific purchase price had not yet been agreed upon.

Neither Sol Kittay, chairman of the board of Cornwall, nor officials at any of the chains involved would comment on the talks.

Calls to several retail stock analysts also failed to shed more light on the deal. Several suggested that Cornwall was attempting to consolidate its retail holdings, but declined to speculate further.

In the first quarter of 1980, ended May 3, King's posted a $918,000 net loss on sales of $118,941,000, compared with a net loss of $235,000 on total sales of $106,590,000 for the comparable quarter ended April 28, 1979.

Barkers owns and operates 57 discount stores in the northeastern and south central states, as well as in Puerto Rico, and the Virgin Islands. King's operates 191 stores in 18 states.

Between them King's and Barkers do an estimated $850 million to $900 million in sales.

In This Issue . . .

EXPOSURE HELPS. New H&BA items backed by heavy TV advertising are making waves in discount stores. For example, brand name creme rinses and conditioners that got TV exposure this year surpassed last year's dollar movement by 25%, according to the latest PMA. (P. 14)

WARM WEATHER TUNE-UP. Spring enticed do-it-yourselfers into discounter auto departments, anticipated by a rise in buyers' orders of polishes and plastic sealants—which headed the most recent auto PMA. (P. 16)

THE WAY OF THE FUTURE. The Discounter Management Development Series examines strategic planning and its significance in today's business environment. In this installment, Touche Ross' Harvey Braun takes retailers through the fundamental steps. (P. 13)

ACTION! A new generation of retailer-backed political action committees has emerged in the country. The NMRI recently formed such a group—the National Mass Retailing Institute Political Action Committee (NMRIPAC). (P. 4)

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More Chains Spot Expanded Food Service Up Front

Nationwide DSN Report

The familiar snack bar found today in many discount stores is going the way of other nostalgic items from discounting's variety store heritage, if upscaling executives have their way.

The smell of buttered popcorn or roasting franks will remain; so will warm-toned counters serviced by a few store employees.

Many discounters already have stepped, with varying degrees of confidence and expertise, into the role of restaurateur.

Whether through additional seating, expanded menus or a new theme, discounters are moving food service farther up front to capitalize on store traffic—beginning to pick up on a trend in department and specialty stores, where food services increasingly are geared to attract the nonshopping diner.

So far, however, discounters' development is keyed to in-store location and enhancing the shopping experience for customers, rather than focusing on nonshoppers.

By moving their new theme restaurants up front, Jefferson stores—more committed to the department than most chains—will become more competitive, have longer store hours and a more "enticing" atmosphere.

Jefferson is moving away from the snack bar concept to a "patio garden" theme.

Formerly, snack bars were located at various spots throughout the store. In some recently acquired stores, Jefferson expanded existing up-front restaurant facilities, and in other buildings will add the necessary space.

Although construction has been running behind schedule, the first of seven new theme operations was scheduled to open by presstime.

"Location is the key," said George Seckinger, vice president, Jefferson/Ward store operations. "It's a matter of moving it up, bringing in the right equipment and coming up with the right decor."

For some discounters, it is even simpler.

"As we go into larger stores—with the majority of them in the

(Continued on page 29)

Cook's new unit in the Pyramid Mall, Syracuse, N.Y., includes this snack bar, a first for the chain in that market. Two other area Cook's stores are slated to get snack bars later this year. (DSN photo)

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Vol. 19, No. 13 June 30, 1980

Big Chains Reapportion Ad $$; Direct Mail Gains

Nationwide DSN Report

A faltering economy and the increasing costs of doing business are forcing discounters to re-examine their ad budgets.

What most have decided is that now is not the time to cut budgets (even if the sales figures to which ad budgets are pegged are showing reduced gains due to the lagging economy). The time has come, they say, to identify nonproductive dollars and to shift priorities in order to make dollars work harder.

For the larger chains, this scrutiny is leading discounters to bank more heavily on direct mail advertising.

Many discounters report they are relying more on zip-code demographics to help them locate their customers. In these cases, retailers are taking preprint inserts from newspaper circulation routes and mailing them directly to the homes and apartments of the most desirable target customers. Consumer response, they say, will offset the higher mailing costs.

Among the smaller chains, a move is on to beef up insert frequency schedules, and in some instances to improve the look and format of the tab by adding color or scaling down the number of items in the ad. (Here, the philosophy reflects attempts by discounters to promote those items most readily identified by consumers as good values, and to keep gross margin losses to a minimum by limiting the number of promotional items.)

For discounters' ad linage, market by market, see p. 25.

Among the larger chains, K mart and Zayre—as well as J. C. Penney's Treasury discount store division—have shifted ad dollars into direct mail. The trend is easily spotted in Atlanta where figures released by the *Atlanta Journal and Constitution* show discounters are abandoning ROP advertising in favor of direct mail campaigns and better targeting of weekly shoppers.

In addition, K mart has pulled all of its ROP advertising from the Boston Globe in favor of a comprehensive direct mail program, according to a Globe spokesman who reported that to date the industry's largest chain had run none of the 236,000-line insert program it carried in the first four months of last year.

Zayre has also increased its commitment to direct mail.

Among the markets affected by the shift are Atlanta, Chicago and Houston. Although, according to a chain spokesman, "we're not shifting our market commitments, we're making our dollars work harder." He added that decisions to shift ad priorities came from headquarters rather than from local managers.

At Penney's Treasury stores (Treasure Island in Atlanta) much of the change in the chain's advertising strategy stemmed from the recent (central) reorganization. With a move to Los Angeles came the establishment of a central advertising department.

In Atlanta, particularly, a 200,000-line cutback in the first part of this year indicated a shift to Penny Saver and direct mail advertising, as well as a more closely monitored ad program, according to Michael Scotto, sales promotion manager.

(In Atlanta, a similar line cutback for Woolco reflected that chain's upcoming withdrawal of two of its three stores in the market. See story page 1.)

"Last year, managers in each market were buying ads," Scotto explained. "We were also committed to a 12-page tab program then." Today, with the shift to centralized management has also come a shift to six-page inserts.

"We run an average of one full

(Continued on page 25)

Wal-Mart's '80 Goals: $1.5B-$1.6B Biz, 50 Openings, Merchandising Refinements

BENTONVILLE, Ark.—The emphasis was on growth plans and merchandising refinements at Wal-Mart's annual meeting, held at chain headquarters in this northwest Arkansas town.

The chain continues to plan approximately 50 new stores a year, according to executive vice president David Glass, adding 20% to 25% more selling space each year. In response to a question from the audience, Glass predicted "sales of $1.5 billion to $1.6 billion" in the current fiscal year (ending 1/31/81).

Merchandising refinements were pointed out during a tour of the nearby Rogers, Ark., store, which along with units in Moore, Okla., and Pine Bluff, Ark., is used to test new merchandise presentations. Al Johnson, senior vice president, merchandise, gave a detailed report on several categories in which Wal-Mart expects substantial gains:

- Ceiling fans will get operating displays in five sku's, with price points ranging from $59 to $129, some tests as high as $200;
- Electronic toys ("expected to be the bulk of the toy market by the mid-1980's") will get 34 sku's;
- Roller skates, "newly popular in our markets," according to Johnson, are planned to hit 70,000 pairs;
- Diet aids are "exploding," and will get 8 to 41 sku's, depending on location;
- Bicycles, in 17 sku's, are expected to hit 120,000 units in 1980;
- Other categories looked to for growth in Wal-Mart stores include wicker, import car accessories, ladies' fashion sportswear, western hats, and Wrangler products, where "unit movement will triple in 1980," according to Johnson.

Chairman Sam Walton, citing 1979's results (sales up 39%, 16% on a same-store basis), first-quarter results (sales up 32% and 12% in identical stores) and equally impressive May figures (31% and 12%) expects the first three quarters of 1980 to be strong.

"The fourth quarter will be difficult," Walton added,

(Continued on page 31)

SAM M. WALTON
DAVID D. GLASS

Chairman Sam Walton emphasizes a point during annual meeting at Wal-Mart's Bentonville, Ark., headquarters. Fiscal-year volume of $1.5 billion to $1.6 billion is projected. (DSN photo)

Dolginow Out, Sidders Up at MM

Carlson Buys 8.6% Share Of Modern Merchandising

MINNETONKA, Minn.—Modern Merchandising lost a president and gained a major new stockholder at presstime.

Yale Dolginow resigned as president and chief operating officer, posts he has held since July 1978, to "pursue other business opportunities."

The Carlson Companies, a privately held conglomerate which already owns the Naum and Ardan catalog showroom chains, disclosed its ownership of 8.6% of Modern Merchandising's stock. Carlson bought 696,212 shares "for investment purposes," according to a Carlson spokesman, during an approximately three-week period starting in mid-May, for $8,075,286.50, or an average of $11.50 a share.

Dolginow's resignation came a week after Modern Merchandising, third largest showroom chain and parent of Creative Merchandising and Publishing, the leading catalog coordinator, promoted Patrick Sidders from treasurer and vice president-finance to executive vice president. He continues to head up the company's finance department and takes on new responsibilities in the operations area.

Carlson's stock acquisition makes that company the second largest holder of Modern Merchandising shares after Harold Roitenberg, founder, board chairman and chief executive officer, who owns 1,225,064 shares or 15.11%.

Executives of both companies have acknowledged that there were "periodic discus-

(Continued on page 30)

Yale Dolginow

Patrick M. Sidders

Ready-to-Wear Wraps Up 15% of Showrooms' Biz In 5-Unit Test at David Weis; Expansion Planned

MONROEVILLE, Pa.—The experimental ready-to-wear effort at David Weis Jewelers and Distributors (DSN: Feb. 11) has been so successful that chain president Alan Silberman said in the future he will be looking at larger buildings to house the addition of rtw to his mix.

Three months after a commitment of roughly $40,000 and 3,000 sq. ft. of warehouse space per store, rtw is claiming 15% of total sales at the five Weis showrooms that carry it. Last year sales for the 13-unit chain were close to $50 million, according to a company spokesman.

"It has shown us how to increase sales at a time when the economic cycle makes that hard to do," said Silberman, who initially expected the department to claim only 10% by December.

David Weis was introduced to rtw by Stanley Adelsheimer, who operates a chain of eight specialty stores in the Pittsburgh area, and by his wholesaler. Adelsheimer's Dimensions in Fashion stores became the prototype for David Weis Sportswear Fashions departments.

Adelsheimer explained why rtw's time has come for catalogers.

"To open a 3,000-sq.-ft. department in a store is not as big an investment as opening a 60,000-sq.-ft. catalog showroom."

Silberman has therefore upped minimum square footage for new showrooms from 40,000 to 45,000 or 50,000 sq. ft. to accommodate the new department.

Since April, rtw has been added in five of 13 David Weis showrooms, in State College, Indiana, Altoona and Greensburg, Pa., and Bridgeport/Clarksburg, W. Va. The eight other showrooms are in the Pittsburgh area, where Adelsheimer's stores carry similar

(Continued on page 5)

Gee Bee Dresses Up Its Apparel Presentation

JOHNSTOWN, Pa.—Glosser Brothers, altering the tack taken by many other leading discounters, is reorienting its soft lines toward a more upscale market while pushing harder than ever with bargains on hard lines.

Three stores opening this year will have race tracks, new fixturing and carpeting—bringing to four the number of Gee Bee stores with an increased emphasis on presentation.

(Despite high interest rates there have been no cutbacks from initial new-store projections. Originally there were to have been only two new stores this year but the third was added when an independent discounter in Selingsgrove—Plaza Store—closed earlier this year.)

All four, and many of the 17 other Gee Bees scattered throughout Pennsylvania, Maryland, Ohio and West Virginia, are also featuring hard line bargain counters in the race tracks and cross aisles for the first time.

"We feel that our customers have traded up in what they are looking for in the way of apparel and we are just trying to follow them," explained Hal Cooley, director of store operations. "But, we want to be certain that we're also maintaining our image as a discounter."

Within a year, Cooley said, a decision should be made whether to install the race tracks, paneling and improved lighting in all Gee Bee stores.

Both Cooley and president Leonard J. Black said it is hoped the changes will further improve Glosser Brothers' financial standing, which received a generally favorable rating from Paine, Webber, Miller, Hutchins, in a broad discount industry performance analysis.

(Glosser Brothers was fifth in sales per store with an average of $6.2 million last year, according to Paine Webber. FedMart topped the list with sales averaging $15.0 million and K mart was third with $7.8 million.

(Glosser did even better in sales per square foot, coming in third with an average of $116. Only K mart with $128 and FedMart with $199 did better.)

The first of the units to get the new look was a 14,000-sq.-ft. soft lines-only store that

(Continued on page 29)

Bigger Discounters Shift Some Ad $$ to Direct Mail

(Continued from page 3)

ROP page a week now," Scotto said. "Last year at this time we averaged two-and-a-half full pages of ads a week."

In addition, centralization also brought an end to the chain's radio efforts which were tested successfully in several markets.

Still, the cutbacks do not stem from a reduced budget, but rather from a shift in priorities. Scotto added: "If anything, our budget is larger this year."

At Zodys, where the ad program (75% of which goes into direct mail) is making the chain's commitment to fashion-sensitive merchandising well-known, the upscale trend continues, according to Sanford Holzer, vice president, advertising. He added the chain is currently fine-tuning its tab format to underscore its decision to build a more fashionable image.

"We're not big in ROP advertising," Holzer said, adding that what little ROP space it buys goes into the evening paper, the *Examiner*, rather than the morning *Los Angeles Times*.

"We concentrate on direct mailing, letting population growth in each zip code dictate where we should be going and how big the size the mailing should be." These fluctuations were the result of a transient population. "In California, everyone moves on the average of once every five years."

Holzer added that the chain mailed approximately three million circulars each week.

This year, the chain's ad budget has been increased, in part to allow it to step up its broadcast advertising. Although Holzer declined to comment on the magnitude of the increase, he did say the new funds would allow the chain to go after higher gross rating points—indicating a move closer to prime-time viewing hours.

The change in market conditions is also forcing smaller discounters to take a more aggressive advertising stand.

Big K, Ayr-Way, Gee Bee and Sky City all changed their preprint programs during the first half of this year.

Big K, whose sales have been in a serious slump for some time, is digging in with a more aggressive ad schedule. According to Gary Cunningham of Newspaper Printing Co. (representative for the *Nashville Tennesseean* and the *Banner*), the chain will nearly double its insert frequency this year. Last year the chain ran 20-25 inserts. In the first four months of this year, however the chain's ROP linage has increased by only 2%-3% over the same period last year.

Gee Bee, according to a spokesman, will also be incurring more ad expenses this year by adding roto color to its inserts—scheduled to run approximately once every two months. Sky City is currently shaving inches off its ROP ads to find extra dollars to divert into preprint advertising, a spokesman noted.

Linage Comparison For Major Markets

The following charts show discounters' ad linage in leading newspapers in various major metro markets across the country. Figures give daily and Sunday linage for the first part of 1979 and 1980.

ATLANTA

	1979*	1980*
K mart	736,264	545,407
Richway	390,307	221,146
Treasure Island	291,276	93,764
Zayre	75,754	43,060
Woolco	144,724	25,198

Source: Atlanta Journal and Constitution
*Jan. 1—April 30

BOSTON

	1979*	1980*
Lechmere	444,906	412,891
Caldor	311,045	287,955
Bradlees	223,493	273,701
Zayre	189,687	159,037
King's	100,730	71,036
K mart	235,968 [B]	5,739 [A]

Source: Boston Globe
[A] ROP only
[B] Inserts only
*Jan. 1—April 30

CHICAGO

	1979*	1980*
Venture	743,582	733,116
Woolco	467,728	595,952
Zayre	463,825	393,153
K mart	294,710	329,303
Community	227,150	240,171

Source: Chicago Sun Times, Chicago Tribune
*Jan. 1—May 31

DALLAS

	1979*	1980*
K mart	859,174	1,186,251
Target	564,533	592,510
Treasury	420,030	401,706
Woolco	296,321	301,086

Source: Dallas News, Dallas Times Herald
*Jan. 1—May 31

LOS ANGELES

	1979*	1980*
K mart	375,261	365,873
Treasury	333,831	269,990
FedMart	165,964	239,055
Zodys	16,558	44,062
Woolworth/ Woolco	11,760	25,024
Gemco	5,262	14,660

Source: Los Angeles Times
*Jan. 1—April 30

NEW HAVEN

	1979*	1980*
Caldor	385,000	388,360
Woolco	214,144	197,596
K mart	218,652	190,120
King's	84,308	97,132
Barkers	62,272	86,478
Bradlees	80,738	19,628

Source: New Haven Register, Journal Courier
*Jan. 1—March 31

PHOENIX

	1979*	1980*
K mart	595,308	431,172
FedMart	332,164	366,352
Yellow Front	131,278	133,154
Gemco	58,548	61,222

Source: Phoenix Republic
*Jan. 1—May 31

Court Lets Stand Decision Making Chain Liable For Co-op Ad Claim

WASHINGTON—A blow against co-op advertising was struck by the Supreme Court when it refused to overturn a lower court decision involving the Pay 'n Save Corporation.

The Supreme Court recently let stand a decision by the Court of Appeals which upheld the strict liability standard against the West Coast drug chain. The principles involved, however, could apply in the future to discounters and other retailers.

The case arose after the Federal Trade Commission alleged that Porter & Dietsch, manufacturer of the X-11 diet pill, the advertising agency which prepared co-op ads, and Pay 'n Save were in violation of the FTC act which prohibits false and misleading advertising. All three were ordered by an FTC administrative law judge to cease and desist from advertising the diet pills.

The decision was appealed and the U.S. Court of Appeals for the Seventh Circuit ruled that although Pay 'n Save had no active part in the preparation of the co-op advertising, its lack of knowledge of the false and misleading claims did not constitute a defense.

It's here!
The new, revised edition for 1980

Chain Store Guide
1980
Directory
DISCOUNT DEPARTMENT STORES
NEW
CATALOG SHOWROOMS

Contains complete *selling* information including; Company profiles, Financial profiles of 25 top companies, Names, Addresses, and Phone Numbers of buyers, Managers, Executives, and much, much more.

DSN 6/30/80

Yes! **Please rush me** ______ copies of the new 1980 Discount Department Stores at $110.00 each.

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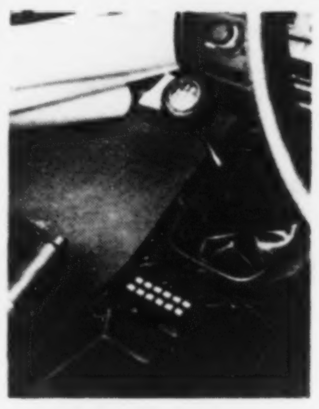

for Car Anti-theft Computerized Design

Features
- *Effective antitheft device, even if you leave your key in the ignition*
- *Just put your 4-digit secret Number on the key board to start your engine*
- *Very easily installed inside your car*

Now new! A GREAT JOGGING AID.
PULSE ALARM METER
Model: UE-700

Features
- *Easy to use-one hand operation*
- *Large direct readout meter*
- *Audio alarm and pulse indicator lamp*
- *Small and light enough for the pocket-take anywhere*
- *Ideal for joggers, health enthusiasts, "high-risk" executives and office workers*
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- *Large orders can have customized lables*

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HEALTH & BEAUTY AIDS

Figures are for the Feb. 4-May 4 period, and were supplied by Boston Distributors, a division of Cook United, Maple Heights, Ohio. The firm covers 320 stores, including 290 discount department stores in 18 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

RINSES & CONDITIONERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Vidal Sassoon Finishing Rinse 8 oz	11,124	2.60	28,922
2	Flex Balsam regular 16 oz	12,090	2.24	27,081
3	Silkience Conditioner Extra Body 15 oz	11,862	2.24	26,571
4	Flex Balsam with Body 16 oz	16,430	2.24	25,603
5	Vidal Sassoon Remoisturizer Creme 4 oz	5,724	3.60	20,606
6	Wella Balsam with Body 16 oz	9,048	2.00	18,096
7	Silkience Conditioner regular 15 oz	7,506	2.24	16,813
8	Clairol Condition Jar 4 oz	4,452	3.02	13,445
9	Agree Conditioner with Body 12 oz	6,948	1.82	12,645
10	Tame Conditioner Extra Body 16 oz	6,468	1.28	8,279

DIET PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Dexatrim capsules 28's	14,892	3.40	50,633
2	Dexatrim Extra-Strength capsules 20's	10,056	3.19	32,079
3	Prolamine tablets 20's	10,344	2.80	28,963
4	Permathene-12 capsules 24's	7,320	3.20	23,424
5	Dexatrim capsules 56's	3,798	5.59	21,231
6	Sweet N Low packettes 500's	3,570	5.60	19,992
7	Appedrine tablets 30's	7,968	2.39	19,044
8	Sweet N Low packettes 100's	11,592	1.16	13,447
9	Prolamine tablets 50's	2,016	4.79	9,657
10	Permathene capsules 48's	1,680	5.60	9,408
11	Dietac capsules 28's	2,022	3.96	8,007
12	Hungrex 21-day supply	2,880	2.55	7,344
13	Dietac capsules 14's	2,910	2.36	6,868
14	Ayds Candy Chocolate Fudge 24 oz	1,305	4.24	5,533
15	Ayds Candy Vanilla 24 oz	1,209	4.24	5,126

LOTIONS, CREAMS & MOISTURIZERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Oil of Olay 4 oz	17,544	4.52	79,299
2	Oil of Olay 6 oz	6,702	6.16	41,284
3	Noxzema Cream jar 10 oz	16,446	2.32	38,155
4	Noxzema Skin Cream Special 14 oz	14,400	2.56	36,864
5	Vaseline Intensive Care Lotion 10 oz	18,516	1.80	33,329
6	Vaseline Intensive Care Lotion 24 oz	6,996	3.64	25,465
7	Porcelana Fade Cream 4 oz	3,672	6.60	24,235
8	Sassoon Moisturizing Lotion 3 oz	6,624	3.60	23,846
9	Keri Lotion 6.5 oz	7,332	2.60	19,063
10	Wet Ones Disposable Towels 70's	13,176	1.36	17,919

ANALGESICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Anacin tablets 100's	27,918	2.14	59,745
2	Bufferin tablets 100's	19,998	2.52	50,395
3	Bayer Aspirin tablets 100's	26,280	1.85	48,618
4	Tylenol Extra Strength capsules 100's	8,244	5.36	44,188
5	Tylenol Extra Strength capsules 50's	13,482	3.20	43,142
6	Tylenol tablets 100's	13,848	2.96	40,990
7	Tylenol Extra Strength tablets 60's	12,288	3.20	39,322
8	Anacin tablets 200's	9,060	3.90	35,334
9	Bayer Aspirin tablets 300's	7,260	4.28	31,073
10	Bufferin tablets 225's	5,880	5.13	30,164

FIRST AID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	J&J Band-Aid Plastic 60's ¾ in	32,244	1.24	39,983
2	J&J Band-Aid Plastic 50's large	5,748	1.49	8,565
3	J&J Band-Aid Plastic 30's All Wide	5,184	1.49	7,724
4	J&J Band-Aid Sheer 50's large	5,076	1.44	7,309
5	J&J Band-Aid Sheer 30's All Wide	4,716	1.49	7,027
6	J&J Band-Aid Plastic 70's	3,552	1.97	6,997
7	J&J Band-Aid Sheer 70's	3,180	1.97	6,265
8	J&J Steri-pad 3x3 25's	2,652	2.00	5,304
9	J&J Gauze Bandage 3x5	4,038	1.28	5,169
10	J&J Band-Aid Plastic ¾x3 100	1,440	3.20	4,608

(Continued on page 21)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

TV Ads Spur Creme Rinses, Conditioners

By M. Raymond Prendergast
President,
Boston Distributors

New-product introductions, especially those accompanied by heavy television expenditure, are creating significant sales increases in several health & beauty aid departments.

The most notable example of this effect may be witnessed in the creme rinse and conditioner category, up 25% in movement over last year. The growth of this department was originally spurred several years ago by S. C. Johnson's introduction of Agree, now our No. 2 brand on the annual PMA (No. 10 for the Feb. 4-May 4 period covered by this PMA).

Sassoon then brought out its specialty line of products which augmented both shampoo and conditioner sales. The strength of Sassoon is illustrated by its placement of two sku's on this latest conditioner PMA. Gillette's introduction of Silkience, which also has two entries on this list, has provided additional sales.

Increased Competition

The big push this year will again be provided by S. C. Johnson. Its Agree brand owns the 15- to 25-year-old market but has little customer base among older women. Consequently, Johnson is bringing out Enhance and targeting it to the 25- to 40-year-old group. Johnson's strategy will be met head-on by Sassoon, Gillette, Revlon and other strong marketers struggling to protect their market shares. The result will be an increased sales base stemming from the new consumers of conditioning products as well as from more frequent usage by existing customers.

The retailer who responds to growth trends such as that displayed by the conditioner market will maximize his sales and profitability. Retailers who reacted to the phenomenal growth of the diet-aid category by expanding the footage and the advertising space devoted to diet products are now showing significant bottom-line increases in their total H&BA numbers.

Thompson Medical's heavy TV expenditure on its new introduction, Dexatrim Extra Strength, and its continued backing of the Regular Dexatrim and Prolamine have been key factors in the category's growth rate of 100%. Menley & James's introduction of Dietac, supported by heavy TV advertising, has also contributed significantly to the attainment of new consumers for diet-aid

(Continued on page 21)

We light up your life with profit.

MOTOR OIL SALE

Lights. Action. Get set to roll into the 80's with America's #1 selling motor oil. And here are the ABC's of the best motor oil program in the business.

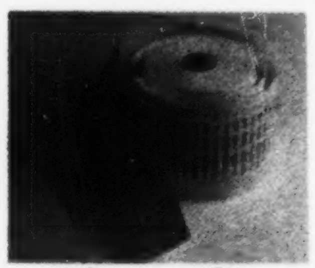
Biggest share.

In 1979, Quaker State accounted for 32% of all mass merchandising motor oil sales. Quaker State is a dam buster. You get big-volume turns. And very low inventory costs.

New retail allowances with top of 125%.

Throughout 1980, you can earn more than your advertising costs. How? By featuring Quaker State motor oil and filters in the same ad. Or by featuring Quaker State exclusively in the category in a Grand Opening ad.

Grand Opening allowance.



Your first order for a new automotive retail outlet earns an additional 5% allowance with no ceiling on your order.

New product allowance.

There's also a 10% allowance for any Quaker State retail product not ordered by you in the previous 12 months. Again, with no ceiling on your order.

In-store displays.

You earn 100% allowance on a wide variety of point-of-purchase pieces. And the same goes for dozens of sales aids for giveaways during your special promotions. Check your distributor, supplier or account representative.

Display the full line.

Quaker State isn't just motor oil for cars, vans and light trucks. We make fine motorcycle, motor boat, snowmobile, transmission and gear oils. Also greases, filters, and anti-freeze—all labeled with our famous name for quality protection.

Heavy ad program.

Quaker State advertises heavily on sports and prime time TV. And we do it all year long, not just for short periods. We spend big in 17 national magazines and on four radio networks. Our outdoor program is the largest in the industry. And we do it all to help you sell more.

Over 1500 warehouses.

While some of our competitors are closing warehouses, our network is expanding. You're never far from a Quaker State shipping point. Which means a Quaker State distributor can be your stockroom, and save you inventory money.

Now that you've seen the light...

Give us a call. Get all the details from your Quaker State distributor or Quaker State National Account Department. They're the #1 service team for the #1 selling motor oil.

QUAKER STATE

Quaker State helps build profits.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

TV Ads Spur

(Continued from page 14)

products. Dietac (Nos. 11 & 12) is expected to rise rapidly in the PMA which is dominated by Thompson (Nos. 1, 2, 3, 5, 6, 9).

The fact that Permathane 12 from Alleghany (Nos. 4, 9) is increasing at a 25% rate without substantial TV support is evidence of the strength of diet-aid growth. The lotions, cremes and moisturizer group is presently yielding a 45% increase over last year's sales due primarily to the introductions of Porcelana, Sassoon's skin moisturizer line and Procter & Gamble's Wondra.

Although Wondra failed to cut into Vaseline Intensive Care's dominance over the lotions' segment, it did prompt TV and print advertising increases. We expect Procter & Gamble to expand its efforts this fall, and Chesebrough will most assuredly do whatever is necessary to safeguard its No. 1 spot.

Sassoon has finally demonstrated that another brand besides Oil of Olay may be successful in the moisturizer segment. Olay now holds the No. 1 and No. 2 positions but Sassoon has garnered the No. 8 spot with its 3-oz. lotion.

Sales Improve

Porcelana Fade cream, a new product from the Jeffrey Martin Company, has risen to the No. 6 spot in our survey by using TV wisely.

Sales this fall will be further augmented by Maybelline's entry into the market. The cosmetic company's introduction will consist of three excellent put-ups backed by an extensive advertising campaign. The battle between Maybelline, Olay and Sassoon will result in higher sales and profits for the retailer adequately prepared for the growth.

The number of new entries in the analgesic category would indicate that additional shelf space will be necessary to capitalize on the expected growth. Such may not be the best course of action.

McNeil's success in its extra-strength formulation and capsulized form has prompted other manufacturers to extend their lines in a similar fashion. Whitehall has introduced both maximum strength and a capsulized Anacin and Bristol Myers is out with Excedrin in capsule form. McNeil has even brought out its Tylenol regular strength in a capsule. These new products should be added as they will be advertised and they will enjoy consumer acceptance. The prudent retailer, however, will be selective in the new sizes bought, and will pare down the sizes carried in existing formulations.

A Gemco Remodels

GARDENA, Calif.—Gemco has completed the remodeling and refurbishing of its 102,000-sq.-ft. store here. A 12-day "open house" celebration marked the remodel.

HEALTH & BEAUTY AIDS

(Continued from page 14)

ANTISEPTICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Solarcaine aerosol 3 oz	9,507	2.16	20,535
2	Solarcaine Lotion 6 oz	6,480	2.32	15,034
3	Sea Breeze Antiseptic 10 oz	5,532	2.24	12,392
4	Lanacaine Cream 2.2 oz	3,306	2.39	7,901
5	Bactine aerosol can 3 oz	2,766	2.32	6,417
6	Bactine squeeze bottle 4 oz	3,774	1.64	6,189
7	Unguentine aerosol 5 oz	2,328	1.95	4,540
8	Lanacaine Cream 1 oz	2,778	1.59	4,417
9	Neo-Sporin Ointment ½ oz	2,703	1.62	4,379
10	Caladryl bottle 6 oz	1,932	2.16	4,173

EYE & EAR PREPARATIONS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Barnes Hind Wetting Solution 2 oz	8,676	3.26	28,284
2	Visine Eye Drops plastic 15cc	9,846	1.68	16,541
3	Visine Eye Drops plastic 30cc	5,478	2.45	13,421
4	Barnes Hind One Solution 3 oz	2,946	3.28	9,663
5	Barnes Hind Soquette Soaking Solution 4 oz	2,886	2.76	7,965
6	Bausch & Lomb Saline Solution 8 oz	4,008	1.92	7,695
7	Soflens Cleaning tablets 24's	1,398	5.39	7,535
8	Barnes Hind Clean and Soak 4 oz	2,430	2.84	6,901
9	Liquifilm Wetting Solution 60cc	2,256	2.76	6,227
10	Barnes Hind Titan 2 oz	1,524	3.76	5,730

CONTRACEPTIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Encare Contraceptive Suppositories 12's	5,862	3.78	22,158
2	Delfen Foam Kit 20 GM	3,426	4.49	15,383
3	Conceptrol Cream 6's	5,034	2.93	14,925
4	Predictor Pregnancy Tester Kit	1,800	7,96	14,328
5	Ortho-Gynol Refill Tube Large	2,196	4.69	10,299
6	Emko Kit 40 GR	2,244	4.28	9,604
7	Acu-Test Pregnancy Test 2 Pack	738	10.95	8,081
8	Ortho Creme Refill Large	1,512	4.69	7,091
9	Koromex Jelly Refill 138 GM	1,428	4.03	5,755
10	Semicid Contraceptive Suppositories 10's	1,464	3.89	5,695

FEMININE HYGIENE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Summers Eve Herbal Dspsbl Douche 2 Pack	14,232	1.19	16,936
2	Pamprin Tablets 24's	7,740	1.92	14,861
3	Summers Eve regular Dspsbl Douche 2 Pack	12,312	1.19	14,651
4	Massengil Dspsbl Douche Vngr & Wtr 2 Pk	11,148	1.31	14,604
5	Summers Eve Dspsbl Douche Vngr & Wtr 2 Pk	9,396	1.19	11,181
6	Midol Tablets 30's	6,498	1.71	11,112
7	Massengil Dspsbl Douche Regular 2 Pack	6,576	1.28	8,417
8	Pamprin Tablets 48's	3,120	2.64	8,237
9	FDS Spray Regular 1.5 oz	4,080	2.00	8,160
10	Massengil Powder Packettes 12's	3,180	2.32	7,378

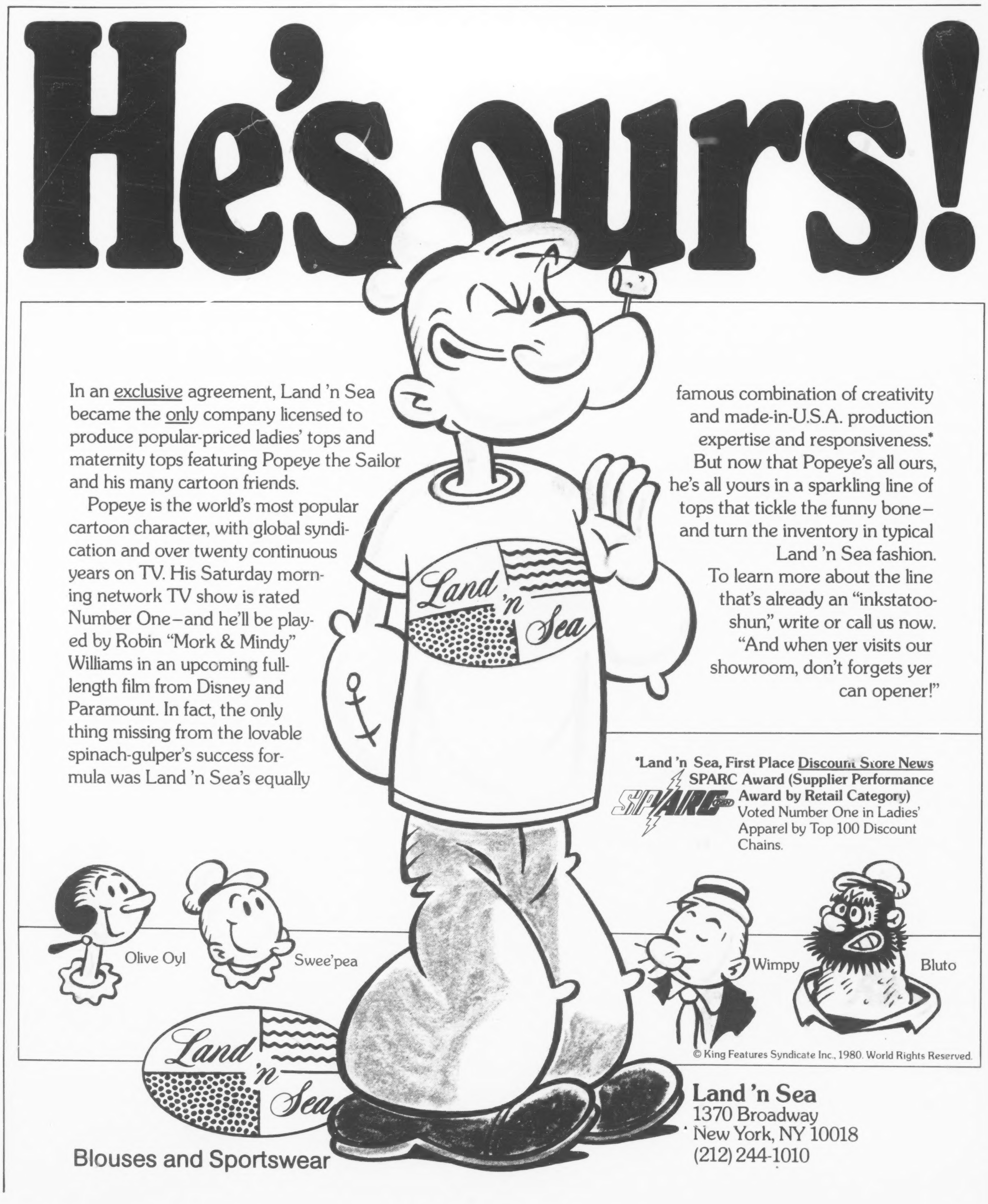
SANITARY NAPKINS & TAMPONS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Tampax Super 40's	35,508	2.59	91,966
2	Tampax Regular 40's	23,844	2.59	61,756
3	Stayfree Maxipads 30's	17,424	3.28	57,151
4	Tampax Super Plus 40's	19,026	2.59	49,277
5	Kotex Super 30's	13,896	3.50	48,636
6	New Freedom Maxi Pads 30's	14,004	3.28	45,933
7	Stayfree Super Maxipads 30's	11,916	3.44	40,991
8	Kotex Regular 30's	9,648	3.50	33,768
9	Modess Super 40's	7,320	4.16	30,451
10	Stayfree Maxipads 12's	19,200	1.34	25,728

TRIAL SIZES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Aqua Fresh Trial Size PP 1.4 oz	82,512	0.39	32,180
2	Colgate Toothpaste Trial Size 0.75 oz	148,320	0.17	25,214
3	Vidal Sassoon Trial Size 6300	41,748	0.49	20,457
4	Ban Roll-on Trial Size 1 oz	14,964	0.89	13,318
5	Triple Lanolin Purse Size 0.75 oz	34,200	0.35	11,970
6	Lightdays Trial Size 6's	43,500	0.27	11,745
7	Baby Fresh Take Along 12's	25,200	0.45	11,340

Source: Boston Distributors


He's ours!

In an exclusive agreement, Land 'n Sea became the only company licensed to produce popular-priced ladies' tops and maternity tops featuring Popeye the Sailor and his many cartoon friends.

Popeye is the world's most popular cartoon character, with global syndication and over twenty continuous years on TV. His Saturday morning network TV show is rated Number One–and he'll be played by Robin "Mork & Mindy" Williams in an upcoming full-length film from Disney and Paramount. In fact, the only thing missing from the lovable spinach-gulper's success formula was Land 'n Sea's equally famous combination of creativity and made-in-U.S.A. production expertise and responsiveness.* But now that Popeye's all ours, he's all yours in a sparkling line of tops that tickle the funny bone–and turn the inventory in typical Land 'n Sea fashion.

To learn more about the line that's already an "inkstatooshun," write or call us now. "And when yer visits our showroom, don't forgets yer can opener!"

*Land 'n Sea, First Place Discount Store News SPARC Award (Supplier Performance Award by Retail Category) Voted Number One in Ladies' Apparel by Top 100 Discount Chains.

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Blouses and Sportswear

Land 'n Sea
1370 Broadway
New York, NY 10018
(212) 244-1010

AUTOMOTIVE

Figures for May, supplied by Allied Accessories and Auto Parts Co., Madison Heights, Mich., cover 2,000 stores, including 1,700 discount department stores in 33 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Casite spray-lube 9 oz.	63,504	1.89	120,022.56
2	1	2-ton Hydraulic floor jack	894	69.99	62,571.06
3	—	Snowhite Lite 'N' Easy gal.	4,356	12.99	56,584.44
4	—	BP25 Blue Poly sealant 16-oz	4,714	9.99	47,092.86
5	75	DuPont Rain Dance paste 14 oz	8,076	4.89	39,491.64
6	45	Coleman air compressor	855	39.89	34,105.95
7	33	Armor All 8 oz	11,016	2.99	32,937.84
8	3	Motorcrat FL-1A oil filter	9,396	3.49	32,792.04
9	—	DuPont Rain Dance liq 16 oz	6,288	4.89	30,748.32
10	6	AC PF-25 oil filter	8,111	3.79	30,740.69
11	2	6014 HD sealed beams	8,612	3.29	28,333.48
12	14	STP oil treatment 15 oz	13,728	1.89	25,945.92
13	18	162 Auto ramp pair	1,013	24.99	25,314.87
14	9	Valvoline 10W40 oil	23,447	1.06	24,853.82
15	4	Pennzoil all-purpose 10W30 oil	21,720	1.13	24,543.60
16	15	Gumout carburetor cleaner 16 oz	12,300	1.99	24,477.00
17	10	Gumout jet spray 13 oz	9,755	2.39	23,314.45
18	60	Tam-66 undercoating	11,696	1.99	23,275.04
19	—	1001 Freon 14 oz	13,630	1.69	23,034.70
20	83	Gunk aerosol EB-1	11,997	1.89	22,674.33
21	—	POCS12 Dual air horns	642	34.99	22,463.58
22	—	Armor All 16 oz	3,478	6.39	22,224.42
23	13	Quaker State sup blend 10W30 oil	19,584	1.13	22,129.92
24	—	Westleys bleach white 20 oz	12,918	1.69	21,831.42
25	—	T-222 Sup hd shell pst/kit 14 oz	6,168	3.29	20,292.72
26	11	Warco dot brake fluid 12 oz	14,400	1.39	20,016.00
27	20	Pennzoil deluxe 10W40 oil	16,403	1.16	19,027.48
28	—	DuPont Rally 14 oz	5,400	3.29	17,766.00
29	—	8850M Freon kit	2,684	6.59	17,687.56
30	22	WD-40 aerosol 9 oz	9,611	1.79	17,203.69
31	—	Johnsons wax kit 12 oz	5,220	2.99	15,607.80
32	35	Warco dot brake fluid qt	4,211	3.59	15,117.49
33	—	VH20 Clean machine auto vacuum	528	27.99	14,778.72
34	—	2-ton Hydraulic bottle jack	1,214	11.99	14,555.86
35	—	SP1 Duro sandable primer, gray	8,577	1.69	14,495.13
36	25	Quaker State deluxe 10W40 oil	11,952	1.16	13,864.32
37	—	8112/G2 Foot pump with gauge	953	13.99	13,332.47
38	5	RR16 Roberk wiper bld refill	5,993	2.19	13,124.67
39	—	T-17 Turtle Zip liq c/wash	6,852	1.89	12,950.28
40	—	Snowhite Lite-N-Ez qt kit	3,144	3.99	12,544.56
41	—	2-gal Gas can	3,117	3.99	12,436.83
42	27	AC R44T spark plug	9,480	1.29	12,229.20
43	36	S257 Fix-a-flat tire inflator	10,254	1.19	12,202.26
44	—	SP3 Duro sandable primer red	7,163	1.69	12,105.47
45	—	6-ton Hydraulic bottle jack	544	21.99	11,962.56
46	—	EC-15 Electric air compressor	595	19.99	11,894.05
47	63	631 3-sect antenna w/booster	1,523	7.59	11,559.57
48	68	Mopar L19 oil filter	3,204	3.59	11,502.36
49	—	MM21OD quartz lite kit 2 pk	295	38.88	11,469.60
50	90	1157/1034 Auto bulbs 2 on card	12,749	0.89	11,346.61

Source: Allied Accessories & Auto Parts

White House Reconsiders Plans To Ask Dept.-Store Price Freeze

WASHINGTON—The White House is reconsidering earlier plans to send letters requesting a price freeze to the nation's top department store and general merchandise chains.

The action had seemed certain and the only question was whether discounters would be included. But following a drop in the consumer price index, the White House decided to reconsider sending a letter from Consumer Advisor Esther Peterson to "department store-type" chains.

Peterson had recently met with representatives of a number of industry groups including the Association of General Merchandise Chains and the American Retail Federation to discuss her proposals. Earlier this year, the White House made a price-freeze request to supermarkets, drug chains and their major suppliers.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Plastic Sealants, Polishes in Van Of Auto Movers

By Herb Rechter
President,
Allied Accessories and
Auto Parts Company

Car polishes and plastic sealants made it back among the top best-sellers in the automotive aftermarket, and the tuneup and do-it-yourself equipment that dominated the chart in the colder months continued to make a strong showing.

Particularly popular on the Product Movement Audit figures for May was a two-ton hydraulic floor jack and a pair of auto ramps.

The jack, retailing for $69.99, came in as the second highest sales item, representing volume of $62,571, with 894 pieces moved, indicating the continued strong DIY trend.

The 9-oz. bottle of Casite Spray-lube, with 63,504 moved, selling at $1.89, showed the greatest dollar volume, as a favorite for department promotions. A total of four polishes and sealants ranked among the 10 products with the greatest dollar movement.

Snowhite Lite 'N' Easy, with 4,356 moved at $12.99, ranked third—just ahead of a 16-oz. bottle of Blue Poly sealant, of which 4,714 units moved at $9.99.

DuPont Rain Dance in the 14-oz. paste and the 16-oz. liquid also were near the top.

Exceptions to Trend

Several other car beautification items ranked high, although buyers throughout the country have said that it's been a bad year for them generally.

Warm weather pulled the 8-oz. bottle of Armor All into seventh place in sales—up from the 33rd spot it held during February. At $2.99 it accounted for $32,937 in total dollar volume.

The 16-oz. bottle of Armor All placed 22nd, with $22,224 in sales.

A 20-oz. bottle of Westly's bleach white was also a popular item at $1.69. It placed 24th with 12,918 units moved.

Buyers throughout the country have been reporting increasing sales of tune-up and mileage-improving parts and chemicals—particularly since the price of gas began to skyrocket last year. In keeping with the trend, Gunk aerosol jumped from 83rd to 20th in May and joined STP Oil Treatment, Gumout carburetor cleaner and Gumout Jet Spray which had been near the top of the chart even in the colder months.

The best-selling oil filter, Motorcraft's FL-1A, ranked eighth—somewhat lower than its February ranking.

10W40
CAM2
RACE PROVEN
SAE 20W50
CAM2
SAE 10W30
CAM2
CE PROVEN
formulated
oil breakdown
performance cars.
Saves money. Increases
asoline mileage by
ently reducing engine
CAM2
OU
OILS
OFFER Y
UNDLE.
$2 BACK
OIL FILTER

CAM2® Motor Oil is selling its way to another record-breaking year in 1980. Sales should double again—for the third year straight.

And, this fall we're offering you another bundle of surefire profit-builders.

A nationally advertised special offer (good on CAM2 Mileage, Race Proven and 10W40 Motor Oils) will boost sales even higher in September and October. The offer: when your customer buys 5 quarts of CAM2, we'll send him up to $2 back on any oil filter he buys. You sell more CAM2. And more oil filters!

A huge network radio campaign (including sponsorship of the baseball playoffs, the World Series and Monday Night Football), [illegible] national magazines, will get the message out to DIY's in no uncertain terms—now's the time to buy CAM2.

Our terms to you will continue to be among the industry's best. A co-op advertising allowance of up to $2 per case! And a buy-in deal that offers a *free* case for every six cases of CAM2 Mileage, Race Proven or 10W40 you buy in August and September. So set some motor oil sales records of your own. With CAM2. Today's fast-growing, profit proven motor oils.

For ordering information, call
1-800-523-1942 (In PA, call 1-800-362-5530)

CAM2®
PROFIT PROVEN
MOTOR OIL

7/30/80 C5150-3 U

Housewares Show Section: Pp. 25-101

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Planogramming Spreads; Cuts Staff Time, Aids Biz

Nationwide DSN Report

Planogramming, which began to take hold in the discount world in the mid-70's, has now become a way of life for most chains.

Major discounters throughout the country report that as much as 80% of their merchandise—mostly hard lines—is planogrammed. The chains that don't meet that figure say they have plans to get there within the next few years.

Hills, for example, said it plans to add a fifth full-time planogrammer sometime next year—four more than it had in 1976. They will work with the company's five hard lines divisional merchandise managers.

Even the smaller chains have made major inroads into planogramming.

Gray Drug's Rink's, for example, plots the positions of most products in its 42 stores with detailed maps and photographs. Rink's maintains a planogram room in its Toledo warehouse.

For those most advanced in the field—chains like Rink's, Zodys and others—the benefits have been readily apparent. Chain executives said their sales have increased, they have reached a better in-stock position and—most important of all—the employee time it takes to display new products has decreased since planogramming began.

"There's no doubt it's been an effective tool," explained a Pamida official. "We've eliminated the necessity of each manager having to discover what works best, and, in the process, made our stores an easier place for our customers to shop."

The chains surveyed said the greatest strides seem to have been made in the planogramming of sections containing automotive parts, paints and basic hardware items.

Soft lines and seasonal items have been largely ignored by the planogrammers, and represent the greatest challenge over the coming years.

They are the areas in which standardization of supply and

(Continued on page 120)

Inventory Reduced, Buying Reorganized

Cost Control Keys Pamida's Turnaround

OMAHA—Expense control by new management executives has been the key to Pamida's bottom-line turnaround after a checkered economic past.

It is breathing new life into the traditional chain, characteristically as slow to change as some residents in its rural markets.

The overall plan to standardize stores and centralize buying and distribution, initiated under the presidency of C. Clayton Burkstrand, was slow to develop. But now the regional chain seems to have a head start on the "operations decade" of the 1980's. Evidence: Earnings on flat sales increased nearly sixfold last year, from $528,000 to $3,053,000, with projections for $10 million this year.

Pamida policies—including planogramming and using prototype stores—trickle down through new divisional vice presidents in hard and soft lines. They have helped reduce inventory on one hand and are increasing gross margins on the other.

While the loss for the first quarter just ended was $463,000, executives noted that figure was down from the $847,000 loss a year ago.

They point to the LIFO adjustment, without which Pamida would have shown $6,000 on the plus side.

The figures breed optimism, but no one has forgotten the massive overstocks and interest expenses that sent profits into a downward spiral. The problem had been compounded by a negative farm economy, bad weather and unusually high shrinkage at the chain, which has 195 units in 13 Midwest states.

"We had a huge inventory of nonselling merchandise," Frank Schlosser, divisional vice president-hard lines, recalled. "For example, we had far too many clock-radios, four-cup percolators, stereos and CB's."

(Continued on page 120)

Pamida 5-Year Summary of Operations

Years ended Jan. 31 (Add 000)

	1976	1977	1978	1979	1980
Revenues	$241,579	$273,111	$294,967	$318,833	$333,463
Gross Margin	25.5%	23.0%	24.9%	21.6%	23.9%
Pretax Earnings	$14,854	$4,913	$11,412	$406	$5,897
Net earnings	$7,563	$2,773	$5,783	$528	$3,053

Source: Pamida

Better expense controls helped Pamida to net earnings of $3,053,000 for the fiscal year ended Jan. 31, 1980, up 478% from $528,000 in the prior year. Sales were up 4.6% to $333,463,000.

The upscale K mart apparel test, currently in place in the chain's Lodi, N.J., store and scheduled for Wayne, N.J., this month, includes such new fixture designs as the "honeycomb" rack in the foreground, with a hexagonal shape, and the "umbrella" rack in the rear (under the layaway sign), that use four gracefully curving waterfalls for display of packaged underwear. (DSN photo)

K mart Widens Its Apparel Test, Boosts Selected Electrics Prices

TROY, Mich.—K mart is expanding the test of its upscale ladies' apparel department.

It is also boosting the prices of its new stepped-up budget electrics mix and line of La Collection Fleurs kitchen electrics. (See earlier story, p. 25)

The discounter this month will install the experimental ladies' apparel section in its Wayne, N.J., store. The department was unveiled last month in K mart's Lodi, N.J., unit. (See DSN, June 30, p.1.)

K mart earlier this year added a stepped-up budget electrics assortment of five items, each tagged at $16.97, but at presstime stores were receiving a new price list boosting these items to $17.97.

On La Collection Fleurs, a recently added line of controlled-brand kitchen electrics, tags went up about $2 for three items—a can opener/sharpen-

(Continued on page 120)

How Presidential Candidates Stand on 10 Retail Issues

By Ken Rankin
Special Election Report

[Lebhar-Friedman, parent of Discount Store News, has prepared a special election report (pp. 89-92) which details responses by each of the four major Presidential candidates to 10 critical retail issues. A nationwide poll of 400 leading executives was followed by personal interviews with each of the candidates.]

No matter which of the major Presidential hopefuls goes on to the White House, the next President will be sympathetic to some of the retail industry's most pressing concerns—and not at all sympathetic to others.

Predictably, President Carter, Governor Reagan, Sen. Edward Kennedy and Rep. John Anderson each expressed strong commitments to deal with the problems of inflation and energy shortages on a top priority basis.

All four also voiced support for loosening international trade barriers despite rising protectionist sentiment among powerful labor unions and manufacturing industries.

And, each of the candidates acknowledged the legitimate concerns of retailers regarding excessive regulation.

But there were clear differences separating the candidates on a number of retailing's key concerns.

On the issue of possible new mandatory Federal wage and price controls—an anti-inflation "remedy" almost universally opposed by business—Reagan came down squarely **against** such economic restraints, while Kennedy voiced

(Continued on page 117)

Korvettes Restructures $55M Debt

NEW YORK—Korvettes, in its ongoing struggle to remain afloat, has restructured $55 million in debt with the aid of its parent company, Agache-Willot and formulated a new credit card agreement with Citicorp Financial Inc.

Korvettes also announced, as previously reported by DSN, that it will move corporate headquarters from its midtown location here to available space in the Herald Square store. The move will help the chain to cut operating costs.

The new financial game plan came on the heels of the recent termination of 2,000 employees and rumors that the chain would close as many as 18 of its 36 remaining stores within the next few months. In the last nine months Korvettes has closed 13 stores and laid off 3,000 workers, thus reducing its operations to the Metropolitan New York, Greater Washington, D.C., Detroit and Philadelphia markets.

The debt restructuring calls for the immediate repayment of $11 million—with funds supplied by Agache-Willot. A second payment of $3.5 million will follow on Dec. 31, 1981; a third payment of $8.25 million falls due Dec. 31, 1985, with interest. Korvettes has given lenders the right to share in the chain's income through Dec. 31, 1987.

In addition to the $8.25 million loan repayment, Agache-Willot has agreed to give its troubled chain an undisclosed amount of cash "to support its inventory requirements over the next several months," according to Joseph A. Ris, Korvettes' new chairman.

The new credit card agreement will allow Korvettes to continue using its present card at reduced cost. In connection with this agreement, Agache-Willot has agreed to arrange for the immediate repayment of approximately $3 million and to follow that with an additional payment of $1.5 million.

In March of this year, the financing institution had announced it was cutting off credit to 14,000 credit card holders who had low credit limits.

Layaway Plans Gain Popularity, to Get Bigger Push

Nationwide DSN Report

The downturn in the economy is turning layaway plans—traditionally just a convenience to shoppers—into a valuable tool for a growing number of discount chains.

The number of persons buying on layaway began to increase late last year and, say discounters, really began to soar several months back when President Carter announced a tightening of personal credit.

Major discounters such as Woolco and King's have already reported substantial increases in the number of layaway purchases and several Midwest discounters said they plan a major push for this fall to cash in even further on the promising new trend.

"We've just been doing fantastic," explained a Woolco executive. "Things have really been starting to peak."

Exact statistics, however, will not be available for most discounters for several months.

For those who have already evaluated the new trend, the additional sales brought in by layaway plans more than outweigh the cost of storing goods.

Spokesmen for ShopKo and Ayr-Way were among those who said they planned to make a major new push for layaway business this fall.

"With the tightness of the dollar this is a real opportunity," explained Harold Johnson, a ShopKo vice president, "We're promoting layaway more heavily than before."

Johnson agreed costs were higher for storing merchandise but, he explained: "This is a merchandising tool and there is an expense to any merchandising tool."

ShopKo, which requires 10% down to hold an item for up to 30 days, reported the increase started late last year when a record 4,000 items had to be held for up to 30 days.

At King's, the increase was first noticed last fall, shortly after the chain decided to carry an expanded line of Christmas toys despite the deteriorating economy.

A King's official said, though, that the purchase of toys wasn't the only benefit of the layaway plan.

Low discounter prices, combined with the prospect of making an interest-free time purchase, was drawing business from the apparel section of many department stores.

"We were getting people who

(Continued on page 15)

Substantial Sales Rise Seen

Woolco Skeds 30 U.S. Openings in 1980

HOUSTON—High inflation and tight credit are taking their toll, but the F. W. Woolworth Company predicts that Woolco, the nation's second-largest discount chain, will finish the year with sizable gains both in sales and store numbers.

By January a total of 45 new Woolco stores will be opened worldwide—30 of them in the United States—and sales, up by 10.8% in 1979, should again rise substantially.

In addition, J. Brannam, Woolworth's brand-name apparel chain venture, is expected to double in size by August with the addition of 15 new stores, and double again in 1981 with the opening of 30 more.

The optimistic predictions were made before an estimated 500 stockholders attending Woolworth's annual meeting here.

Richard L. Anderson, Woolworth president and chief operating officer, said 1980 is expected to be a good year for the other Woolworth divisions as well, with overall sales being at least 8% over the $6.78 billion recorded in 1979.

Anderson said a substantial amount of the gains in Woolco's operations will result from the shrinking of 33 oversized stores in the Southwest, and by the planned takeover of all leased departments.

"No longer will there be semiautonomous licensees in Woolco," Anderson said. "A single management voice will be directing total store presentation, promotion and merchandising value."

All Rockower men's wear departments will be taken over by the chain sometime in August, he said.

The next takeover step will come in 1981 when Kinney Shoes, a Woolworth subsidiary, assumes control of half of the shoe departments in Woolco stores. By 1982 the takeover of shoe departments will be complete.

Control in buying women's and children's apparel will be assumed from Apparel Buying Associates in January. By mid-1982 the company will begin operating its auto departments, currently run by Ameron.

Anderson said some of the 33 stores that have already been reduced in size have shown "dramatic" increases in sales.

(Continued on page 15)

F.W. WO
Woolworth
Woolco
F.W. WOOLWORTH CO
R.C. HELLER

Richard L. Anderson, Woolworth's president and chief operating officer, tells stockholders good news while Edward F. Gibbons, chairman of the board and ceo, amends his speech. (DSN photo)

Bennett to Sell 800,000 Shares In Caldor For $17.6 Million

NORWALK, Conn.—Carl Bennett, chairman and president of Caldor, plans to sell 800,000 shares in the firm for $17.6 million in early July.

According to one source, the purpose of the proposed sale is to diversify Bennett's personal investments. None of the proceeds will be received by Caldor and there will be no dilution in earnings per share.

The offering represents 30% of the shares currently owned by Carl and Dorothy Bennett and family trusts, and will diminish their holdings of outstanding common stock from 32% to 22%.

'Satisfaction-Guaranteed' Claims By Biggies Draw FTC Probe

WASHINGTON—Korvettes, Sears, and Ward are among at least half a dozen discount and general merchandise retailers under investigation by the Federal Trade Commission (FTC) for allegedly failing to live up to "satisfaction guaranteed" advertising claims.

The massive, nonpublic investigation was revealed after the three firms filed motions to quash the FTC's orders for information. The commission has asked for potentially thousands of documents relating to refunds and other practices of the chains.

The FTC's involvement in investigating "satisfaction guaranteed" claims dates back about eight years when it asked Ward and other retailers for information regarding such claims in catalogs.

Lawyers for Korvettes have informed the FTC that the "satisfaction guaranteed" policy was discontinued by the new owners in 1979 and is "no longer being used by Korvettes in the stores or advertising." Korvettes further told the agency that "as a consequence," it "has changed from a department

(Continued on page 14)

In This Issue . . .

SPOTLIGHT ON HOUSEWARES. Buyers heading to the semiannual housewares shows are saying 1980 is the year for lower-priced basics—and that they'll shop accordingly. DSN takes a closer look at discounter housewares departments in this special section. (Pp. 25-101)

ELECTRICS STRENGTH. Small appliances continue to hold between 26% and 30% of manufacturers' total housewares sales, remaining big sellers despite an uncertain economy. A special DSN section begins on page 40.

MARK AND CONTROL. DSN'S Discounter Management Development Series focuses on getting maximum use of merchandise price tags. Too much information (for a given system) wastes time and money. Too little info robs a retailer of critical information. (P. 17)

COMBO MOMBO. Food Marketing Institute consultant Allen "Bud" Levis talks with DSN on the market positioning of combination food and drug (combo) stores in the 1980's. (P. 13)

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Vol. 19, No. 14 July 14, 1980

Spotlight on: Gourmet Cookware

Jefferson Gets It All Together

THE NEW LOOK. Jefferson's new gourmet cookware department, The Creative Kitchen, will be as important a component in all future units as it is here in Hallandale, Fla. Forty per cent of the items on display in this 800-sq.-ft. shop-within-a-shop are new to the chain; the rest (staple items) have been culled from the existing housewares department.

The department, featuring top-of-the-line cooking implements, puts heavy emphasis on the fashion side of housewares, color coordinating accessories (towels, linens and gadgets) and pots, pans and dishes.

(DSN photo)

Discountland Survey: FedMart, K mart Rank 1-2 in Sales per Sq. Ft.

NEW YORK—A recent study of discounter performance in 1979 by Paine Webber Mitchell Hutchins gave top marks to four regional chains and a national one.

Using some 60 (statistically weighted) financial criteria, the study, "1980 Retail Industry Statistical Compendium," placed Wal-Mart, Caldor, SCOA Industries (Hills) and Hartfield-Zodys—along with K mart—at the front of a field of 34.

(Those included in the study are discounters who Paine Webber identified as being "significant competitors and important volume contributors." Figures are based on the fiscal year completed during 1979.)

Results within individual categories showed that FedMart, with its volume food business, ranked first in productivity with sales per square foot of $199. K mart, industry leader in number of stores, sales volume and net income, ranked second in sales per square foot with $128.

Following those two, using the same yardsticks were Glosser Bros. (Gee Bee) with $116, Caldor with $110 and Wal-Mart with $95. Jamesway, Zayre, King's and Gaylords all fell below the industry average with sales per square foot of $76, $67, $46 and $44, respectively.

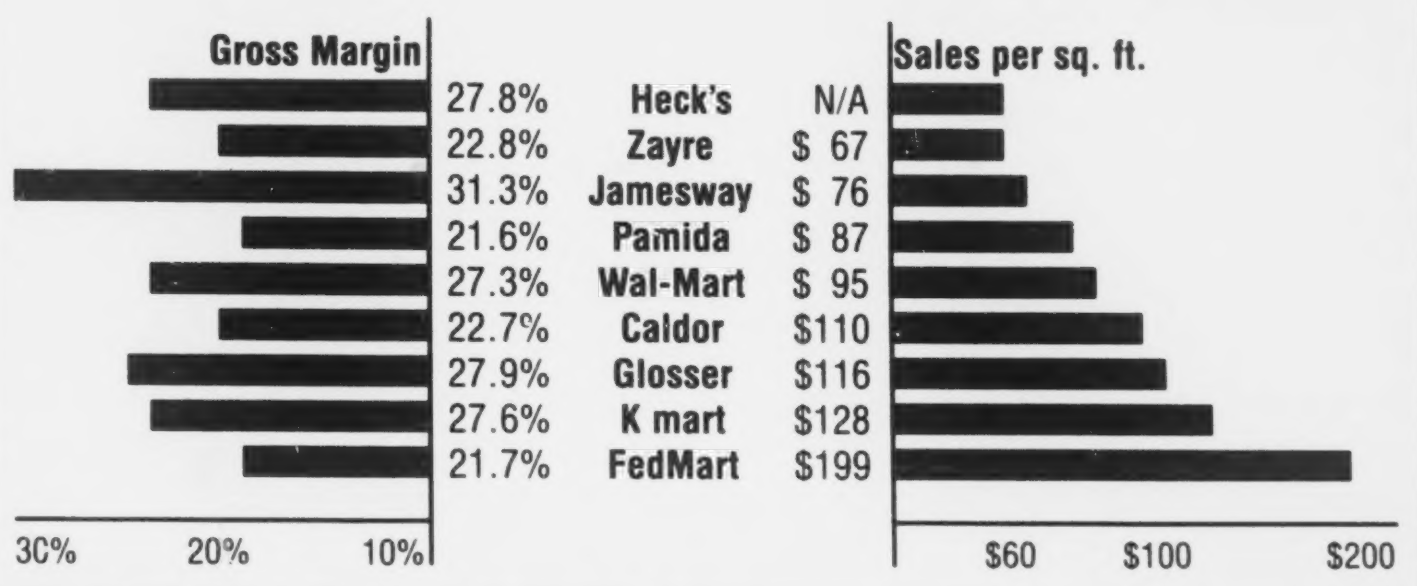
In net income, giant K mart set the pace with $343.7 million followed by Wal-Mart ($29.4 million), SCOA ($20.3 million), Caldor ($15.5 million) and King's ($15.1 million). FedMart finished dead last and in the red with a loss of $11.1 million, although the West Coast discounter/food retailer did record the highest sales growth during the period: 40.7%. Much of this growth, however, was derived from the addition of 22 stores since the middle of 1978.

Expansion-minded Wal-Mart saw sales increase by 32.7% last year, consistent with the chain's (compounded) five-year growth pattern of 40%.

Hartfield-Zodys, whose average sales growth was 4% over the past five years, boosted sales by nearly 30% last year. The sales performance at most other chains was consistent with the previous five-year period: In 1978, sales for K mart

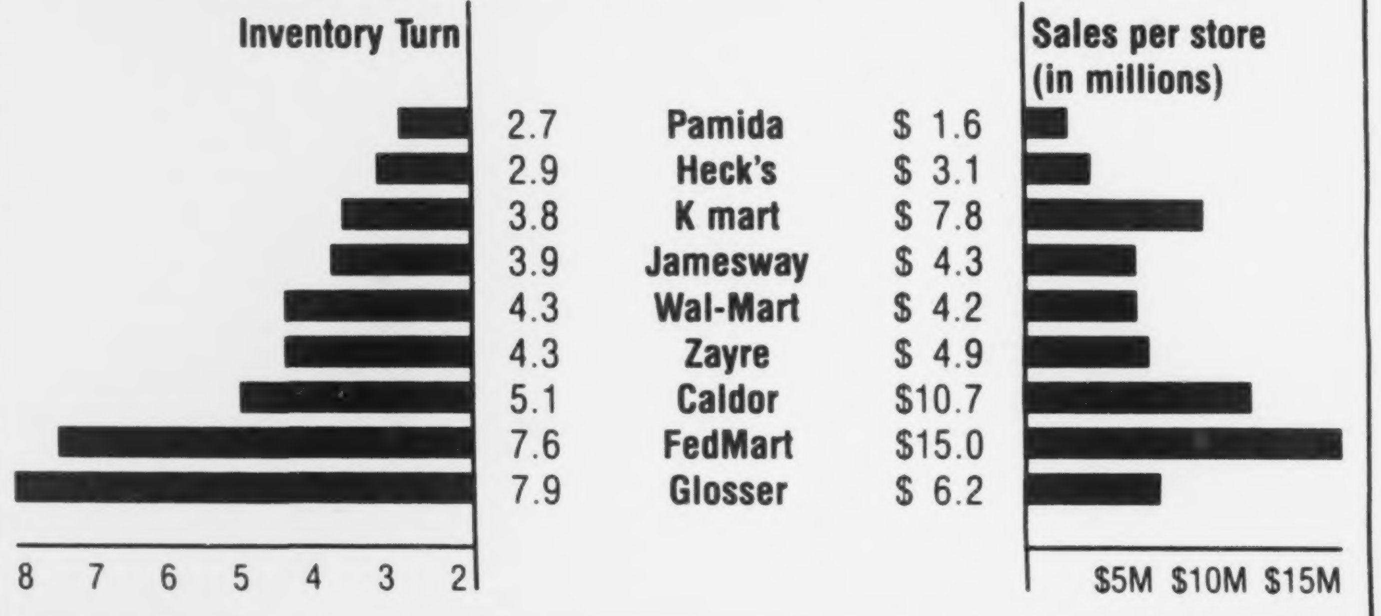
(Continued on page 15)

Jamesway Is Tops in Gross Margin



FedMart and K mart finished first and second in sales per square foot, although K mart's gross margin was considerably higher.

Glosser Is First in Inventory Turn



FedMart, aided by its food business, was second only to Glosser Bros. in turns. Caldor was also above the study's 4.0 average.

FTC Probe

(Continued from page 2)

store image with emphasis on fashion using the phrase 'The Other Korvettes' to return to a discount image using the phrase 'Korvettes Gives You Discounts Plus.'"

Another reason why the FTC should drop its investigation, according to Korvettes, is that only a small number of complaints regarding the "satisfaction guaranteed" slogan have been received, and Korvettes "is not aware that any claims have been made that it did not honor its policy."

Sears has asked the FTC to drop its request for information on the grounds that the recent law passed by Congress regarding the agency restricts such requests. Sears also notes that the FTC's order "is burdensome and oppressive in that it seeks documents which may be located in more than 3,500 Sears' units throughout the country."

Shifting Gears

Ward pointed out that for more than five years, it has "virtually eliminated" the unqualified use of the "satisfaction guaranteed" term in advertising. Its outlets were encouraged to use in-store displays that make the more limited claim: "Satisfaction is our goal."

Since 1974, Ward noted, its catalogs have not used the "satisfaction guaranteed" term in regard to specific products. The term has only been used on catalog covers in small print, inside catalogs along with a detailed description of the policy, and on only one type of in-store sign.

Ward also pointed out that a purchaser can express "any reason at all for his/her dissatisfaction and obtain a full refund of all money paid," and that such obligations are always fulfilled.

Summarizing its contention that the FTC's request is unreasonable, Ward states that it is being asked "to document implausible interpretations of a claim which was previously investigated and for which the commission has no reason to believe consumers have either been misled or injured."

"Midland is the classy light heavyweight. We're coming out slugging for your business in 1980!"

Pat O'Sullivan

—Patrick E. O'Sullivan,
President
Midland International Corporation

You know where we stand—somewhere between the lightweights and the heavyweights. Larger than the unknowns. Not quite as big as the giants.

Have we got class? Well, look at the way we slugged our way to the top of the CB field in its crowded heyday.

And take a look at who's left in CB. Midland and darned few others. We're not only still in CB. Today we have an expanded line.

Now, without further chitchat, let me get straight to the hard-core reasons why Midland deserves a long, hard look from you in 1980.

Here are 7 good reasons why you're going to like us this year!

1. Our quality control standards are stern and unyielding!

That's true! Our products are manufactured to our precise design standards. And we never give a millimeter on specifications. Careful inspections are made off the line and upon arrival. This is vital to us. Because offering you uncompromising quality is the only way we can make sure you can't get along without us!

2. We deliver!

In our business you work long and hard to offer the kind of service you expect yourself from your own suppliers. Then a merchant says something that makes it all seem worthwhile: "You guys really deliver!" Everybody talks about good service. We deliver it. But that's enough talk. Give us a try. Let us prove that to you.

Our popular Model 200M CB. This year, the Midland CB advertising and merchandising program is hinged on "emergency" situations. These ads are available to help you increase sales.

3. We have products for the important price points where volume business is done!

Backing up that promise is easy. We have the products to do it. Midland offers you good values, priced to move off your shelves and onto your profit sheet.

We cover the important price points in
CAR STEREO
CB
and we have popular models in
WEATHER STATION™ receivers

Discountland Is Surveyed

(Continued from page 14)

grew by 17.6%; Jamesway, 20.9%; King's, 14.9%; SCOA, 13.9%; Duckwall/ALCO, 11%, and Zayre, 10.5%.

Vornado showed a 27.7% drop in sales, reflecting the chain's divestiture of more than 40 East and West Coast Builders Emporium stores.

As for return on assets, Pic 'N' Save led the pack with a 17.1% rate. Assets for the chain totaled $40.4 million of which 43% was inventory. For Wal-Mart, return on assets was 9.1% on assets of $324.7 million with inventory accounting for 53.2%. Glosser Bros. showed an 8.9% return on assets of $292.2 million. Here inventory accounted for 45.8%.

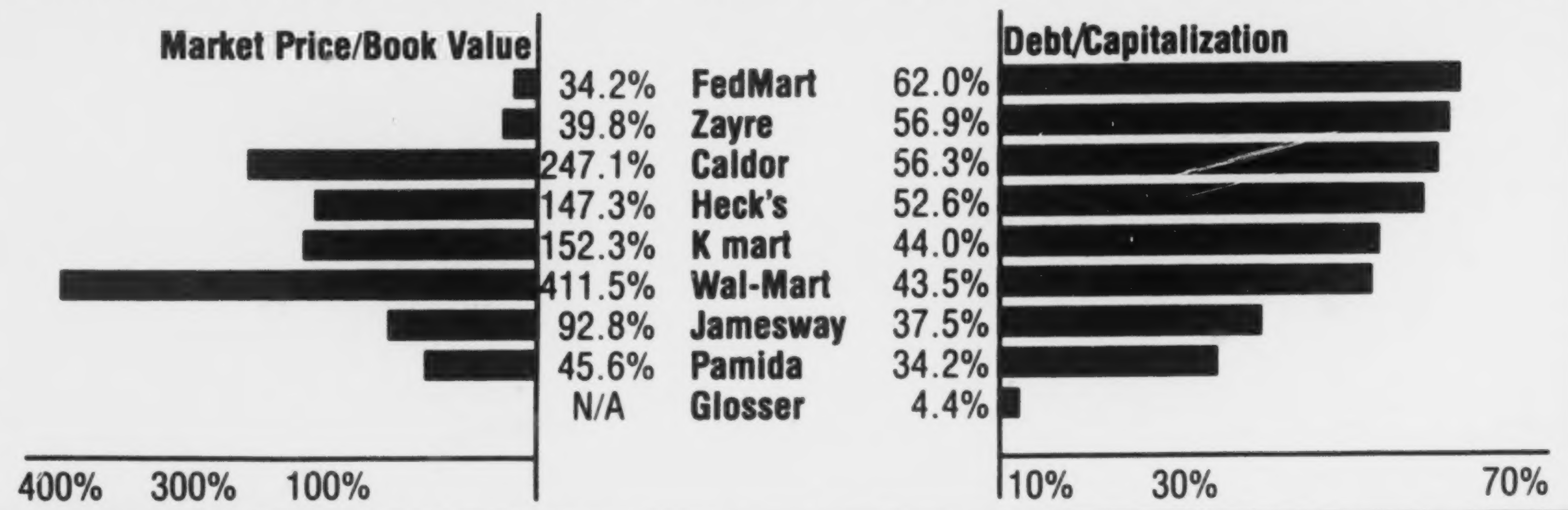
K mart earned a 7.1% return on its $4,836.3 million in assets of which 49.1% was inventory.

At the other end of the spectrum, were Pamida, with a 0.4% return on assets of $136.3 million (inventory accounting for 64.7% of assets), and Fed-Mart which showed a deficit. Assets for the West Coast chain totaled $321.3 million. Inventory accounted for 35.2% of that amount.

On a rating of inventory movement, Glosser performed best. Merchandise moved through its Gee Bee units at an average of 7.9 turns a year. Fed-Mart's food business brought that chain's inventory turns in at 7.6 a year.

SCOA, Hartfield-Zodys and Caldor turned inventories at 5.3, 5.1 and 5.0, respectively, well above the study's average of 4.0.

Market Price Well Over Book Value For 4 Chains' Stock



Market prices for Wal-Mart, Caldor, K mart and Heck's stock were all well over book values. Glosser Bros., Pamida and Jamesway had the best debt/capitalization positions. *DSN charts. Source: Paine Webber*

Expect Senate Unit Will Approve Zimmerman for N.L.R.B. Vacancy

WASHINGTON—Following Senate confirmation of William Lubbers as general counsel of the National Labor Relations Board, the Senate Labor and Human Resources Committee is expected to approve the nomination of Don Zimmerman to fill the current vacancy on the board.

Many of the same business groups that had opposed Lubbers' nomination oppose Zimmerman because he will occupy a traditionally Republican seat. A liberal independent, Zimmerman was formerly a registered Democrat in California.

At present, he is minority counsel of the Senate Labor and Human Resources Committee. As such, he advised the Republican members, particularly Sen. Jacob K. Javits (R-N.Y.), the senior GOP member.

If approved, Zimmerman would serve a term that expires at the end of 1984.

Layaway Plans Advance

(Continued from page 2)

ordinarily would spend $150 for a coat," the King's official explained, "but now they are realizing they can come in and buy something similar from us for just $75 with an initial outlay of only $7.50."

The success of chains with layaway plans may soon reach Wisconsin's Prange-Way as well, which is expected to decide in 45 to 60 days whether to begin one.

A company executive said, however, that he feels Prange-Way, along with other chains, was pressured into considering starting such a program by a stream of false information from Washington.

The executive said many people are turning to layaway plans only because exaggerated talk of high interest rates on credit cards has scared them or because they have been mistakenly led to believe they couldn't get a company credit card.

He said Prange-Way has not cut back on the number of cards it issues.

Kansas-based ALCO was the only discounter contacted who reported it was cutting back on layaway plans.

Benjamin Payne, an ALCO vice president, said while it appeared layaway plans were generally becoming more popular, the higher cost of storing goods was responsible for the cutback.

This year, he said, shoppers will have to pick up their goods within 90 days rather than the previous six months. They will also have to put more down to hold an item—20% compared with the previous 10%.

Woolco Grows

(Continued from page 2)

The stores being reduced are 120,000 sq. ft. and will be shrunk by 25,000 sq. ft. Company officials said they expect to save $130,000 annually per store.

Woolworth officials said the two big "stars" of the company's operations this year are likely to be Kinney and J. Brannam.

Kinney reported sales of $926 million in 1979—a 14.6% increase over the previous year.

With the addition of 380 new stores in the coming year, company officials said profits—pegged at $93 million in 1979—should continue to rise substantially each year.

The total number of J. Brannam stores should be 27 by the end of this year and just short of 60 in 1981. In 1982 an additional 40 stores are planned.

The only division doing poorly is Richman stores, which Woolworth officials said experienced a $6 million decline in profits to $4 million.

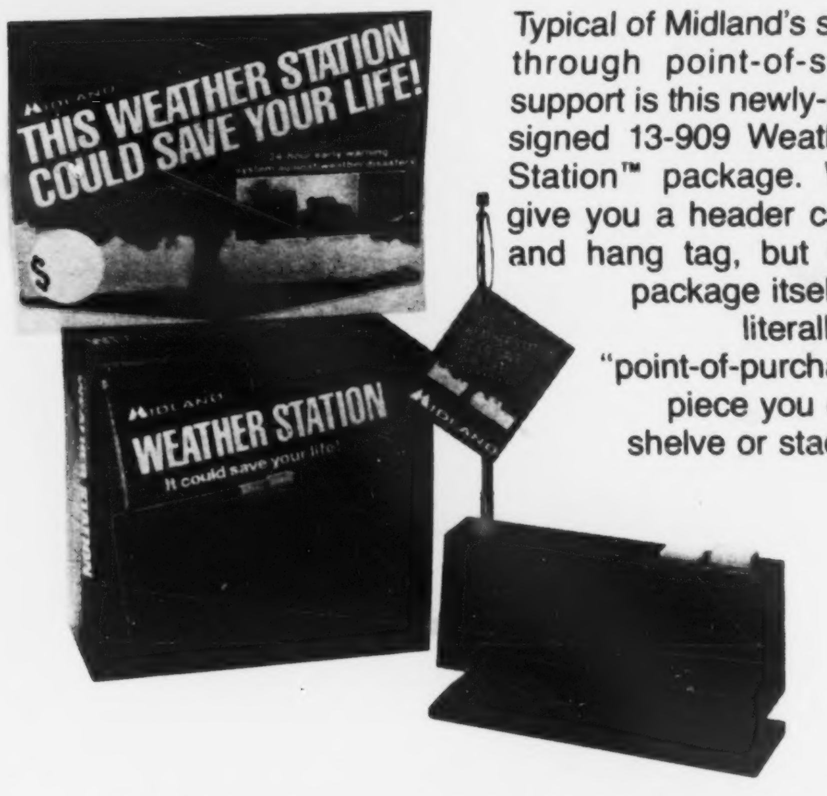
They said, however, that a new format geared for a younger, more fashionable and higher spending customer should help sales and is being implemented in the 298 existing stores.

Company operations in Britain and Germany were reported as "strong," but officials told the stockholders that "Spain has been difficult."

Woolworth is holding off on additional investments in Spain because of poor economic conditions, Anderson said.

4. New products are a transfusion we give ourselves!

The reason we do is to insure our longevity in this business. Actually, our success is dependent not only on exploring new technologies, but studying new markets in our ever-changing society. That is what our researchers and engineers do, continually.



Typical of Midland's sell-through point-of-sale support is this newly-designed 13-909 Weather Station™ package. We give you a header card and hang tag, but the package itself is literally a "point-of-purchase piece you can shelve or stack!"

5. Only one rep from Midland will call on you!

In the past, we probably had some redundancy in our sales coverage of your account. But, no longer. Now I can promise you—no more overkill! You'll deal with only one Midland representative. And he'll be able to show you everything in our line.

6. Our warranty is unusual and truly outstanding!

Very few firms dare to offer an over-the-counter warranty on consumer products. We do. Because we think it pays off for you. And it's the final proof of our complete confidence in Midland quality. Also, for the benefit of you and your customers, we provide nationwide service through 1500 authorized Midland service stations.

Just as in CB, Midland is committed to staying in car stereo with a complete line long after the also-rans have dropped out. This is our mini-chassis, high-power, fully automatic stop 67-460 cassette player with AM/FM/FM-Stereo receiver.

7. We are going to offer advantageous terms, too!

Investigate the specifics of this program. Especially in today's volatile financial period, we believe you are going to find them extremely interesting.

**Any questions?
Anything I can clear up?**

Do you want to know more? Or are you simply curious about some aspect of Midland's 1980 products and program? Call 816/241-8500. We'll be happy to level with you, as I have in this ad. Thanks for hearing me out. You can write if you like: Midland International Corporation, P.O. Box 1903, Kansas City, Missouri 64141.

New for 1980. Midland 2-Way FM radios for business communications. A tested and proven line that Midland has sold in international markets, now available domestically.

MIDLAND®
THE CLASSY
LIGHT HEAVYWEIGHT.
(Stronger than the little guys . . .
livelier than the giants!)

A member of the Beneficial Corporation Family.

Discount Store News

SMALL ELECTRICS SUPPLEMENT

SMALL **ELECTRICS** SUPPLEMENT

Electrics, Housewares Powerhouse, Seen Key Volume Producer Despite Recession

Nationwide DSN Report

Electric housewares, that basic hard goods category, was cited by a K mart executive as one of the few departments to show a good sales gain in the first quarter of 1980 despite the deteriorating economic environment.

That pointed up the fact that traffic appliances are a powerhouse housewares area.

And, discount store and catalog showroom merchandisers expect small electrics to remain a key sales-producing category for the remainder of this year, despite the economic slowdown. The plus factors will be consumers' recognition of brand names, and their demand for basics for everyday use and gifts, especially during the fourth-quarter Christmas holiday period.

A Jamesway executive noted that the economy has resulted in a stronger interest in lower-priced items and a cutback of fringe goods. Basic, sharper-priced merchandise is being featured more in ads, he noted, to generate more traffic and sales.

The availability of a broad array of kitchen electrics with nonstick finishes, and the growing interest in updated basics such as lightweight irons and electronic solid-state controls were pinpointed by a Modern Merchandising executive as responsible for small appliances' continued strong sales outlook.

A Jefferson merchandiser added that gross profit dollars were the key concern in merchandising traffic appliances. He explained that electric housewares are a strong producer of gross profit dollars that end up on the bottom line.

Those upbeat views of traffic appliances as a merchandise area are underlined by the category's past sales performance and by its longstanding importance to discounters and catalogers.

Manufacturers agree that dis-

(Continued on page 45)

Middle-of-Road Pricing, Promos To Be Stressed

Nationwide DSN Report

Discounters are counting on middle-of-the-road pricing and extensive promotions to sustain the small-appliance business in the face of a recession.

Merchandisers reason that the midprice range will satisfy the overriding consumer demand for quality, sturdy merchandise at prices shoppers can still afford.

"The middle-price range is strongest in most categories of appliances," said a Matco buyer.

Except for some forays into electric scales and quartz heaters, discounters will largely avoid fringe or novelty items for the fall and Christmas season.

The emphasis on middle-of-the-road pricing is evident in food processors. Zodys, Heck's and Target, among other chains, have been heavily promoting them in the $40 to $50 range. A Gold Circle merchandiser reported that processors priced at $40 and under, with a rebate, represented almost all movement in the category.

Since most discounters view the processor as an everyday item, they are also carrying $69 and $79 models. But a Magic Mart buyer admitted: "These price points are just too high for most shoppers these days."

Others noted that the food processor business tends to accelerate in the fall and the Christmas season, which partly explains why the category has gotten off to a relatively sluggish start this year.

"The category usually takes off between Thanksgiving and Christmas, and we allocate substantially more space for processors at that time than the rest of the year," noted a buyer at S. E. Nichols.

For the most part, processors

(Continued on page 45)

Regal Vogue Aluminum Cookware
SilverStone

Cleaning is not a sticky subject with Regal.

Regal makes it easy to clean. Which makes Regal easy to sell. In fact, you'll find 53 shining examples of Regal products with non-stick SilverStone interiors.

And they're all packaged right, priced right and promoted right to give you the business.

Regal

REGAL WARE, INC. KEWASKUM, WISCONSIN 53040

SMALL ELECTRICS SUPPLEMENT

Electrics: a Powerhouse

(Continued from page 40)

ounters and catalogers to-ether currently account for bout half of the retail traffic appliance business, and this share growing, particularly for cata-igers, as conventional depart-ient stores trim back their ierchandising to feature mainly gh-priced specialty kitchen ectrics.

Small appliances have :counted for 20%-35% of anufacturers' total house-ares sales during the past dec-le, according to the National ousewares Manufacturers As-ciation's annual surveys.

Last year's 27% share came ıt to $4,206,330,000, an .5% jump from the $3,774,-0,000 the previous year.

That 20%-35% share of man-facturers' housewares volume produced by only 10%-11% of ie industry's total number of roducers, a ratio that has re-ained fairly constant for the ast 10 years.

Discounters' and catalogers' 0% share of manufacturers' lectrics sales to retailers works ut to about $2.1 billion at holesale or about $3 billion at tail.

A breakdown of manufactur-rs' traffic appliance sales by rost & Sullivan, a marketing re-earch firm, showed that in 978, the latest year studied, tchen electrics accounted for ıt wholesale) $1.8 billion, personal care appliances $900 mil-on and floor care products $1.1 illion.

Statistical information reported by the National Mass Retail-ng Institute pointed up the nportance of traffic appliances r discounters.

The Mass Retailers' Mer-handising Report for 1978-79 oted that traffic appliances on the average account for 2.3% of store volume, but that sales hit distinct highs during certain major gift-giving periods of the year.

Of the total traffic appliance volume, an average of 25.5% of the sales occurs in December, following 11.8% in November.

Lesser highs occur in May and June with the Mother's Day, Graduation and June Bride gift periods. The average is 8.9% for May and 8.5% for June.

The NMRI biennial study clearly showed that electrics is a strong gross profit dollar producer, rather than just a break-even area as sometimes depicted.

The study showed traffic appliances to have an average 28.5% markup that worked down to a 21.9% maintained markup after an 8.8% markdown and a 20% promotional markdown.

The gross profit percentage came to an average 21.1%. The

(Continued on page 50)

Middle-of-Road

(Continued from page 40)

aven't adversely affected sales f blenders and mixers, mer-handisers maintained.

One reason: Food processors appeal to different cus-omers than do mixers and enders. "The customer inter-sted in a processor is innova-ve and wants to try a new oncept," observed a Target erchandiser. "The customer ho is a heavy baker or does eavy base preparation wants a and mixer, and you won't sell r something else."

An ALCO buyer noted that the ain's stand mixer and middle-high-end blender sales have een unaffected by processors.

Zodys buyer thought pro-essors might siphon some les from high-end blenders, ıt added: "I am still doing very ell with high-end blenders, hich sell only a few dollars be-v some food processors."

Toasters, irons and other sic appliances will remain lid performers, since most oppers figure these are items ey can't do without. The light-ight irons increasingly are ining more shelf space, as leading manufacturers steadily discontinue heavier, standard models.

Nevertheless, discounters report that shoppers' allegiance to the heavier models remains strong. The Target buyer observed that customers have yet to embrace the lightweight irons to the degree that manufactur-

(Continued on page 50)

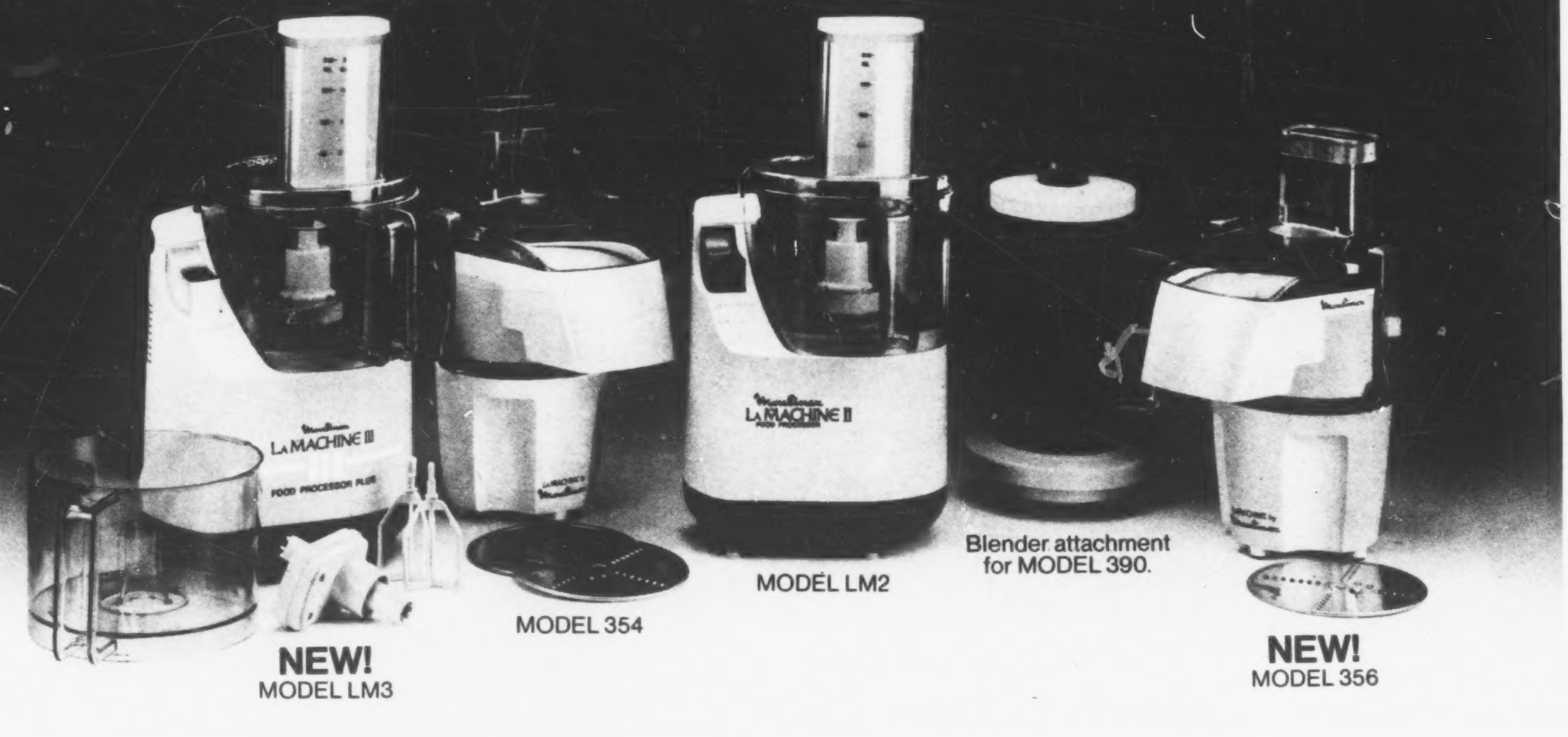
Decade in Review: Electrics Do 20%-35% of Mfrs.' Housewares Sales

Year	Mfrs.' Housewares (incl. Electrics) Sales; % Change	Electrics Mfrs.' % of Housewares Sales	Electrics Mfrs.' Sales; % Change	No. Electrics Mfrs. As % of Housewares Mfrs.
1979	$15,579,000,000 +15.6%	27%	$4,206,330,000 +11.5%	10%
1978	13,479,000,000 +13.4%	28%	3,774,120,000 +5.9%	10%
1977	11,885,000,000 +8.4%	30%	3,565,000,000 +8.4%	10%
1976	10,963,000,000 +13.0%	30%	3,288,900,000 +30.4%	11%
1975	9,702,000,000 +1.0%	26%	2,522,520,000 −6.6%	11%
1974	9,642,000,000 +11.2%	28%	2,699,760,000 −11.0%	12%
1973	8,667,000,000 +22.7%	35%	3,033,450,000 +53.4%	13%
1972	7,061,000,000 +15.1%	28%	1,977,080,000 +53.5%	11%
1971	6,135,000,000 +13.6%	21%	1,288,350,000 +19.0%	9%
1970	5,400,000,000 −1.4%	20%	1,080,000,000 −6.0%	N.A.

Electric housewares has shown uneven growth during the past decade, a situation that reflects (a) hot sales of fad items that boost volume for a short time, and (b) spurts in nonelectric housewares sales that result in small appliances accounting for a varying percentage of total housewares volume. Overall, electrics has maintained a 26%-30% share of total housewares industry sales (at wholesale) during the past five years, compared to a 20%-35% share the previous five years.

(DSN chart. Source: National Housewares Manufacturers Association annual market studies.) N.A.—Not available.

You're not in the food processor business unless you carry La Machine™ from Moulinex®



because no other line gives you the wide range of models that sells every customer, with open-chute, built-in bowl, blender and mixer attachment—all supported by major national advertising.

Moulinex has the line of food processors that gives you the most to sell. And La Machine™ has the widest range of models, so you can give your customer the food processor of her choice. That means more sales for you. Moulinex offers open-chute models and built-in bowl models, models with blenders and mixer attachments, basic and more sophisticated models, moderate-priced and higher-priced models, covering all the consumer's possible choices. Shown here are some of the most popular Moulinex designs. No other line gives you this unbeatable combination: A wide range of product features and price points, strong advertising support, and fast, reliable delivery. You're not in the food processor business unless you carry La Machine™ from Moulinex.

Model 354.
Our leading open-chute model.

Model LM2.
Our leading built-in bowl model.

Model 390.
Our leading blender model.

The New Model 356. This meets a consumer demand for a fine full-function food processor at a very reasonable price.

The New Model LM3. We've introduced an even more sophisticated version of the LM2 for the customer who wants the ultimate. All the functions and features of the LM2 plus an extra bowl and light-duty mixing attachment for whipping cream, beating egg whites, preparing mayonnaise, meringues, cake mixes, etc.

The Moulinex introductory rebate program through December 31, 1980:

Product	Rebate
La Machine™ Model 356	$7
La Machine™ Model 354	$7
La Machine™ II Model LM2	$7
La Machine™ III Model LM3	$7
La Machine™ Elite Model 390	$10
La Grande Machine™ Model 517	$15

Moulinex® LA MACHINE™
is growing in America
Moulinex Products Inc., 30 Main Street, Danbury, Conn. 06810

SMALL **ELECTRICS** SUPPLEMENT

Curling Brushes Give a Lift to Personal Care Appliance Business

Nationwide DSN Report

Curling brushes have helped personal care appliances fluff up new sales and given more body to the classification.

A Target merchandiser explained that curling brushes took off immediately, indicating that the consumer was ready for something new in personal care appliances.

He added that brushes have made the hair curling area the hottest part of the hair care appliance business, but that the new item has resulted in a decline in curling wand action.

Sales of styler/dryers, the other portion of the hair care appliance field, have remained flat, discounters and catalog showroom merchandisers reported, reflecting the maturity of this business.

Pistol dryers are the key items, a Jamesway merchandiser noted, because consumers want "something substantial in their hand when they dry and style their hair."

A MacDonald Showrooms merchandiser added that personal care appliance sales keep growing because of the boom in hair care appliances. Curling brushes are hot, replacing curling irons, while styler/dryer sales have been maintained by the strong movement in pistol models.

A Major Share

Hair care appliances (excluding hard-hat and bonnet dryers and rollers) account for 50%-60% of the personal care business for discounters and catalogers, with the remaining volume coming from the other items used for hair care plus such specialized products as foot massagers and face and body care appliances.

The sales breakdown reflects the two types of merchandising programs followed for personal care appliances: Hair care items are featured for traffic through sharp promotions and low margins, while the other products are the high profit producers, often carrying margins in the 40% to 50% range.

The greater number of sku's carried for hair care as compared with the other type of personal care appliances has resulted in an overall low gross margin but high turn.

This was pointed up by a Frost & Sullivan personal care appliance market study issued last year which showed that almost half of the discounters surveyed reported an average gross margin for personal care appliances that ranged between 15% and 25%, while 75% of the discounters listed turns ranging between three and seven.

Catalog showrooms had lower gross margins and didn't achieve significantly higher turns than discounters, the study reported.

Just under half the showrooms questioned listed an average gross margin in the 10% to 15% range while just under 60% reported turns ran from three to five.

The report noted that "for retailers, their final average maintained gross margin is of utmost importance. Using all margins 25% and above as a benchmark, catalog showrooms are weakest with only 4% at that level. The retailers second to department stores [which are highest with 54% at that level] are discounters at 36%. In overall averages, discounters give 25.6% off on sale and catalog showrooms' markdown [for sales] is 26.5%, only slightly higher."

The key to the differences in productivity between discounters and catalogers, the study reported, "are in regular markdowns. Showrooms' average markdown is 19.7% and the discounters' 16.8%, a much greater difference [than the ad markdowns].

"In conclusion, catalogers' showrooms are selling a greater percentage of their personal care appliances on sale and discounters are doing more business at the regular price."

The study asserted that there "are some important contributing factors to this phenomenon. Showrooms place these products on sale frequently and use them as traffic builders. Also, showroom sales are often of the planned purchase sort [due to the use of the catalog by shoppers]. Discounters have a broad line of goods and are in a better position to attract impulse purchases. In addition to achieving higher average gross margins in personal care appliances, discounters had a higher inventory turn."

Discounters' greater productivity in personal care appliances is also evident from a number of other portions of the Frost & Sullivan study.

The broader selection carried by discounters has resulted in these stores generating a higher volume than catalogers. Only 49% of the discounters reported sales under $100,000 compared with 58% for catalogers; 38% each of the discounters and catalogers had sales in the $100,000 to $1,000,000 range; only 4% of the catalogers but 13% of the discounters had over $1,000,000 in sales.

Discounters, despite their use of mass displays as compared with catalogers' sample-sell, tended to use less footage to show personal care appliances, a factor that helps to explain discounters' higher turn.

Thirty-nine per cent of the discounters were able to display the category in under 20 linear feet, while 31% of the catalogers used this much footage; 37% of the discounters devoted between 20 and 39 linear feet to

(Continued on page 49)

Discounters Tops in Sales, Footage, Turns

	Discounter	Catalog Showroom	Department Store	Drug Store
Personal Care Appliance Sales (add 000)	$1,071	$218	$189	$193
Shelf Space (ft.)	32.0	29.4	29.7	31.1
Sku's	7.4	9.9	8.0	6.6
Turns	5.0	4.1	4.2	4.1
Average Maintained Gross Margin	22.4%	14.6%	24.1%	21.6%
Regular Markdown	16.8%	19.7%	7.7%	12.0%
Ad Markdown	25.6%	26.5%	17.8%	22.5%

(Source: Frost & Sullivan survey)

When seven key factors are averaged out for personal care appliance merchandising, discounters are No. 1 in sales, footage and turns, and No. 2 in average maintained gross margin.

WEAR-EVER
ITS FALL

We're supporting the Wear-Ever cast of star performers with a four-star advertising and promotion program for the big prime fall selling season.

From the largest network and spot television buys in our history, to a combined TV and print schedule that'll reach a whopping 90 percent of your prime prospects an average of five times, to a new and exciting series of traffic-building promotions.

KABOB-IT DESTINED TO BE ENTERTAINER OF THE YEAR.

The new Kabob-It electric hot hors d'oeuvre/meal maker has already received advance rave reviews.

And with support from 4-color print ads and a sparkling 30-second TV commercial appearing in local markets, plus Kabob-It's featured role in the 1980 Family Circle/NFL Tailgate Party Sweepstakes promotion and Gannett Festival of Foods cooking show, you'll want to give it center stage in your displays.

PREMIUM COOKWARE & BAKEWARE WITH SILVERSTONE*: THE WELL-KNOWN, SEASONED PERFORMERS.

Wear-Ever quality cookware with easy-cleaning DuPont SilverStone has packed houses all over America. Your customers can see it in national women's magazines and in a 30-second commercial available for dealer tagging. And remember, now Wear-Ever Bakeware with SilverStone comes in a new package. We'll be making Wear-Ever Cookware and Bakeware part of continuing in-store demonstrations and promotional programs this season, too.

*DuPont's registered trademark for its premium non-stick surface.

DU PONT SilverStone

SMALL **ELECTRICS** SUPPLEMENT

Personal Care Study: Discounters More Productive Than Catalogers

(Continued from page 48)

this merchandise compared to 48% of the showrooms; 21% of discounters and catalogers used 40 to 99 linear feet for display while 3% of the discounters even had 100 to 199 linear feet for personal care appliances.

The study noted that "there is a strong correlation between the amount of linear feet of shelf space devoted to personal care appliances and their overall importance as a product line to total store sales. Clearly, catalog showrooms and discounters are making personal care an important part of their product mix."

Eighty-nine per cent of the department stores devoted under 30 linear feet to this category. The study pointed out that "considering that department stores' share of personal care appliance sales has been declining over the years in favor of discount stores, it is possible that department stores are now cutting back on their space commitment to personal care."

The strong focus that discounters place on hair care appliances was noted in the study's report on the number of sku's carried by discounters and catalogers.

Discounters carried 16.6 sku's in hair care, just under the 17.5 offered by catalogers. But discounters went with far fewer units in the other personal care areas: 18.8 combined for discounters for facial, body and foot care compared with 28.9 for catalogers.

Average Maintained Gross Margins Compared

Average Maintained Gross Margin %	Discount Store %	Catalog Showroom %	Department Store %	Drug Store %
Under 10.0	0	15	4	8
10-14.9	11	44	13	12
15-19.9	24	15	2	18
20-24.9	21	17	21	26
25-29.9	21	2	28	13
30-34.9	11	2	15	16
35-39.9	0	0	4	3

(Source: Frost & Sullivan survey)

The average maintained gross margin for personal care electrics for most discount stores ranges between 15% and 30%, while for most catalog showrooms it is under 20%.

Discounters and catalogers offer about the same number of price points for the various personal care appliances, according to the study. Discounters have four price points for hair care appliances compared with 3.7 for catalogers, while both retailers have two points for foot care items and both offer up to 2.5 for the other facial and body care items.

The Target merchandiser asserted that while personal care electrics across the board should do well, hair care appliances will be the best-selling area because there's a high replacement market.

The makeup of the hair care appliance mix, especially in the curling wand area, will see significant changes this fall, discounters told DSN.

An ALCO merchandiser reported that the boom in curling brushes has resulted in the chain now carrying four sku's, compared with just two last year. One curling iron has already been dropped from the mix and another may go if brush sales continue hot.

Heck's started with one brush, added a second and plans to include a third this fall, a merchandiser noted, with the curling wand selection cut from seven to six to make room.

Curling brushes, he added, will be a key back-to-school promotional item, with 72 to 96 pieces being ordered per store for ads scheduled to break next month.

Twenty per cent of Conley's personal care volume comes from curling brushes, a merchandiser reported, and two or three more sku's will be added in the fall to reflect the continued growth of this merchandise.

Discounters, More Than Catalogers, Utilize Distributors

Discount stores and catalog showrooms follow different distribution plans for personal care appliances, both on the buying and receiving ends.

Discounters rely more on distributors than do catalogers. Mass retailers tend to ship goods to stores and chain warehouses while showroom operators favor direct delivery.

These two different distribution patterns were evident in the Frost & Sullivan study of the personal care appliance business.

The study noted that while discounters and catalogers "follow much the same purchase patterns . . . the vast majority—45.7% of catalog showrooms—purchase directly from the manufacturers. Purchasing through manufacturer reps is another way of purchasing directly, and catalog showrooms do this to a high degree also."

Discounters, the study added, "are more likely to use independent distributors, buying groups and buying services than catalog showrooms."

But, the heavy reliance on direct purchase by catalogers and use of distributors by discounters still allow for the two types of retailers to obtain large amounts of merchandise through other channels.

The study noted that 21.3% of discounters used distributors, and obtained only 64.6% of their merchandise from this source. The 26.2% of discounters buying direct purchased only 59.4% of their goods this way.

On the cataloger side, the 45.7% that bought direct obtained 73.5% of their merchandise from the manufacturers; the 14.3% that used distributors purchased 83% of their goods from this source.

The end point of the distribution process is more clearly defined. Sixty-five per cent of the catalogers had personal care appliances sent direct to their showrooms, while only 32% of the discounters bought direct for the stores. Fifteen per cent of the catalogers and 18% of the discounters had goods go right to their warehouses. Meanwhile, 47% of the discounters sent goods to the stores and warehouses as compared with only 19% of the catalogers that had merchandise flow to the showrooms and the main warehouse.

PREVIEWS PROGRAM.

POPCORN PUMPER

POPCORN PUMPER FIRST IN THE MARKET & STILL A WINNER.

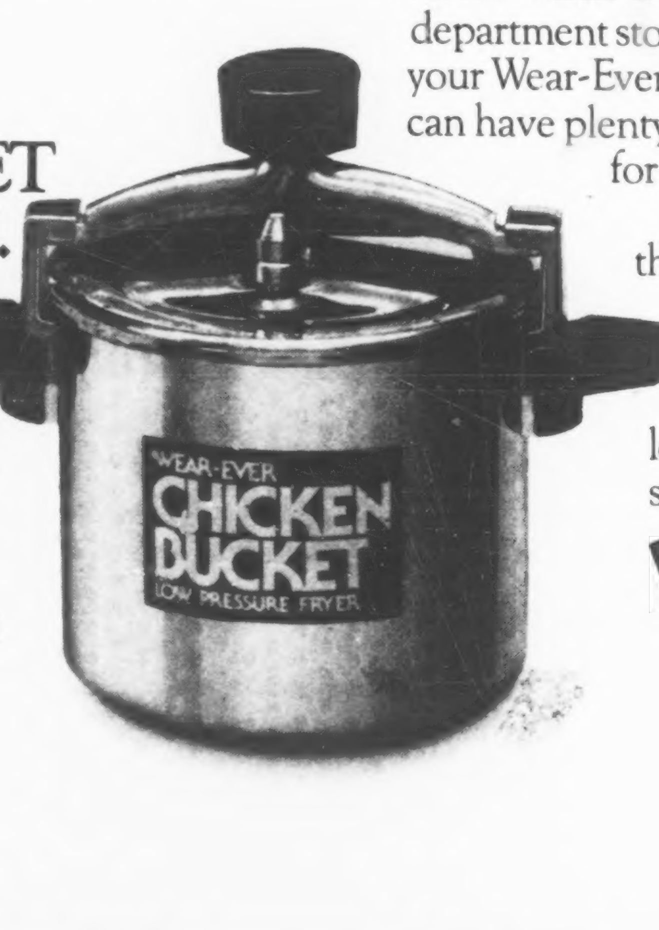
America will see just how the Wear-Ever Popcorn Pumper® electric hot air cornpopper brings home the taste of movie theatre popcorn in an eye-catching new print ad to run in national women's magazines and in People, too. Plus it'll be featured in an exciting new TV commercial and promoted on network TV game shows during the prime November-December selling season. And it's in the 1980 Family Circle/NFL Tailgate Party Sweepstakes promotion.

SUPER SHOOTER® A SUPER STAR AGAIN THIS YEAR.

We'll feature the hit "Ready, Aim, Christmas" commercial on network TV this fall, offering your customers a special gift package that includes a free extra barrel. Add to that our local support programs, and the Super Shooter electric cookie gun and canapé-maker should continue to be a real crowd pleaser wherever it's displayed.

Look for other Wear-Ever support programs including traffic building in-store demonstration events as well as NRHA Fall Home Value Days and Modern Bride's department store bridal programs. Contact your Wear-Ever representative soon so you can have plenty of stock on hand in time for the hot fall selling season.

And don't forget to visit the fun Wear-Ever booth (numbers 4109-4115) at the Housewares Show for a close-up, backstage look at the full line-up of our star performers for 1980.



CHICKEN BUCKET BRINGS HOME THE SECRET OF TAKE-OUT CHICKEN.

The Wear-Ever Chicken Bucket® low pressure fryer cooks chicken the way professionals do. Even pressure cooks, too.

And with our local market support programs, you can tag our newspaper ads and TV and radio commercials with your store's name.

What's more, the Chicken Bucket takes center stage in the prestigious Southern Living cooking school demonstrations, too.

Wear•Ever®
Wear-Ever Aluminum Inc.,
Chillicothe, Ohio 45601.

SMALL **ELECTRICS** SUPPLEMENT

Discounters Up Productivity

Productivity Measurements	1976-77	1978-79
Markup %	24.3	28.5
Total markdown %	7.0	8.8
Promo markdown %	N.A.	20.0
Maintained markup %	19.3	21.9
Gross profit %	19.9	21.1
Electrics' % of total store sales	2.6	2.3
November sales as % of total electrics sales	14.7	11.8
December sales as % of total electrics sales	28.9	25.5

(DSN chart. Source: National Mass Retailing Institute's Mass Retailers' Merchandising Reports for 1976-77 and 1978-79.) N.A.—Not available.

Discounters have boosted small-appliance productivity in the past two years compared with 1976-77. Markup percentage and maintained markup percentage have gone up at the same time that electric housewares' share of total store sales has remained fairly constant. Discounters have also been able to increase electrics sales throughout the course of the year so that business done in the key holiday months of November and December, as a percentage of the year's total electrics volume, dropped by 16.9% to 37.3%.

Powerhouse

(Continued from page 45)

4.1 turnover, among the highest for hard goods, helped to make the category a strong producer of gross profit dollars.

Traffic appliances are a key gift item, with discounters the leading retailer, according to a *Better Homes & Gardens* consumer survey. Catalogers vied with conventional department stores for the runner-up spot.

The magazine's survey showed that in the five different price ranges studied, discounters (a) were the top retailer in four; (b) sold to 40% or more of the consumers buying goods in three price areas, and (c) were second to conventional department stores, with sales to 24% of consumers purchasing goods in the highest price range, over $30.

In the various price ranges, discounters sold to (a) 41% of the shoppers buying in both the $10-$15 and $15-$20 range; (b) 42% of those buying in the $20-$25 range, and (c) 37% of those buying in the over-$30 range.

The figures for catalogers were (a) 15% of those shoppers purchasing in the $10-$15 and $20-$25 ranges; (b) 10% of those buying in the $15-$20 range; (c) 14% of those buying in the $25-$30 range, and (d) 18% of those buying in the over-$30 range.

Middle-of-Road

(Continued from page 45)

ers think.

"I think there is a definite psychological bias toward the heavier irons as being more effective than the lighter models," he asserted.

However, discounters said the trend toward lightweight irons is irreversible. A T.G. & Y. buyer reported that widespread manufacturers' advertising of lightweight irons was steadily boosting consumer interest. The Oklahoma City-based chain is carrying two lightweight models.

So sweeping is the thrust toward lightweights that Gold Circle's iron section features a standard high-end model, a standard low-end item and "everything in between will be virtually all lightweight," noted a merchandiser.

Several chains reported that conventional toaster-ovens have been hit hard by the sluggish economy. "Toaster-oven sales have slowed more than those of any other traffic appliance," said an A-Mart executive. An ALCO buyer termed the category "average."

A Magic Mart executive was adamant about toaster-ovens: "It has never been a good category for us and I wonder if it ever will be. We tried lots of things but they didn't work. Toaster-ovens also take up too much space, so I think we will cut back on space allocation."

At the same time, he reported brisk sales in pop-up toasters, especially two-slice, models. Heck's and A-Mart both said that sales of two-slice toasters, priced between $10.99 and $12.99, were holding up well.

Coffeemakers seem to be rebounding slightly, after a leveling of sales late last year. A buyer at Goldman's noted a sales upswing during the spring in regular perk coffeemakers under $20 and drip coffeemakers.

Hot
ButterWell
PopCornNow
IMPROVED
DuPont approved finish
TEFLON II
no stick-easy clean

You want Presto® because they want Presto®

This year, like last, the big gift seller is bound to be Presto® PopCornNow® continuous hot air popper. In side-by-side selling, your customers choose Presto because it has the features, quality and promotion.

Continuous feed, nonstop popping. Pops as much or as little as they want, without stopping.

The exclusive ButterWell® melter to automatically butter as it pops.

Handsome styling of a quality appliance, not a toy.

It all adds up to consumer preference that clears your shelves.

Powerful national advertising keeps Presto the first name in hot air poppers with month after month, week after week, four-color ads in powerful national magazines, plus participations on network TV game shows.

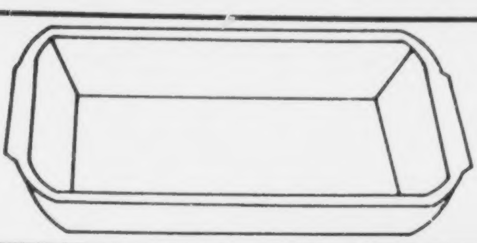
Presto PopCornNow popper, this year's big gift seller because your customers want it. And that's why you want it, too.

PRESTO®

...innovation to make it first
quality that makes it last and last™

1980 by NATIONAL PRESTO IND. INC.
EAU CLAIRE, WI 54701

Available in Canada through Toastess Corp., Pointe Claire, P.Q.



HOUSEWARES SHOW SECTION

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Value Is King; $10-$20 Items Crown Electrics

By Howard Bobroff
President,
Myron Nickman Distributors

Retailers' cutback to basics and lower-priced items to maintain a slim but productive traffic-appliance mix in the face of the weakening economy was evident in the Product Movement Audit for Jan. 1-May 29. Staples, particularly those in the "magic" $10 to $20 range, dominated the report.

The push to become lean became especially noticeable in the June post-audit period as retailers reported traffic appliance inventories were higher than desired. However, the trend toward an inventory cutback wasn't a question of just dropping higher price points, but rather of focusing on value—offering customers items and features at price points that will attract sales.

Discounters can expect some help from manufacturers this fall in establishing value as a selling factor.

For one thing, rebates will be extensively offered by manufacturers—and, just as important, producers plan to heavily promote the rebates.

Smaller Price Hikes

Manufacturers have indicated that the weakening economy has resulted in smaller price hikes, due to be posted at the housewares shows. The emphasis on the manufacturer end—similar to the effort among retailers—is to move merchandise, with the closing down of production lines the last resort.

Besides rebates, manufacturers will be offering special promotional models and new designs to help move goods. This merchandising approach should be evident at the shows, where a number of producers plan to introduce special models of food processors designed to retail at under $40, and where a new look that features a tall silhouette is due to be shown by at least one manufacturer.

The focus on basics and lower-priced electrics means that personal care appliances and gift-oriented goods such as hot-air popcorn pumpers will be big this fall and during the holiday gift period.

A number of retailers have indicated that hair care appliances and the hot-air pumpers

(Continued on page 54)

ELECTRIC HOUSEWARES

Figures for Jan. 1-May 29 supplied by Myron Nickman, a division of Cook United, Maple Heights, Ohio, cover 900 stores, including 125 discount department stores in the Midwest. Average retail pricees listed by the distributor reflect typical price points for discount clients.

STYLER/DRYERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Conair 1250W Vagabond	1,320	16.63	21,951.60
2	Gillette 1200W Supermax	854	22.80	19,471.20
3	Northern 1000W	1,693	11.46	19,401.78
4	Windmere 1250W Boss	1,226	13.11	16,072.86
5	Conair 1200W Pro Styler w/brush	661	21.80	14,409.80
6	Gillette 1000W Supermax 2	733	19.49	14,286.17
7	Clairol 1200W Son of a Gun	626	20.15	12,613.90
8	Northern 1200W compact	1,381	8.59	11,862.79
9	Northern 1200W	1,063	10.18	10,821.34
10	Conair 1000W Pro Dryer	750	13.60	10,200.00
11	Gillette 1300W Supermax Pro	450	18.15	8,167.50
12	Clairol 1200W Shoot the Breeze	411	17.45	7,171.95
13	Sunbeam 1200W Win-Aire	537	13.23	7,104.51
14	Norelco 1000W Gotcha Gun	604	11.71	7,072.84
15	Conair 1200W Pistol Power	554	12.46	6,902.84
16	Windmere 1200W Dry Baby	395	12.04	4,755.80
17	Gillette 1400W Supermax Pro	192	21.48	4,124.16
18	Clairol 1200W Son of a Gun	125	20.79	2,598.75
19	Shetland 1200W Pony Pro	128	9.56	1,223.68
	TOTALS	13,703		200,513.47

CURLING WANDS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Clairol Crazy Brush	1,921	13.43	25,799.03
2	Gillette Body & Curl	959	14.76	14,001.40
3	Norelco Wave Maker	915	13.91	12,727.65
4	Norelco Curl Q	1,125	10.28	11,565.00
5	Northern Pro Styling Brush	1,534	6.88	10,553.92
6	Clairol Crazy Curl	763	12.09	9,224.67
7	Windmere Pretty Curl	1,447	5.58	8,074.26
8	Dazey Beauty Curl	2,721	2.88	7,836.48
9	Afro Hot Pick	588	11.43	6,720.84
10	Sunbeam Mist Stick, swivel cord	715	8.35	5,970.25
11	Gillette Super Curl compact	288	13.36	3,271.68
12	Windmere Dry Iron	828	4.29	3,552.12
13	Northern Pro Iron, chrome	534	4.79	2,557.86
14	Windmere Kwik Kurl	478	3.84	1,835.52
15	Windmere Curling Brush	164	8.71	1,428.44
	TOTALS	14,980		125,119.12

DRIP COFFEEMAKERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	North Amer Mr Cof 12-cp w/saver	5,740	39.54	226,959.60
2	Norelco 10-cp Dial-a-Brew	4,693	24.78	116,292.54
3	Proctor-Silex 10-cup	4,344	20.06	87,140.64
4	North Amer Mr Cof 10-cup	2,327	25.79	60,013.33
5	Norelco 12-cup Dial-a-Brew	938	34.85	32,689.30
6	North Amer Mr Cof 10-cp w/saver	468	37.66	17,624.88
7	Norelco 4-cup Express	828	20.74	17,172.72
8	Regal 4-cup mini-drip	433	15.81	6,845.73
9	Hamilton Beach mini-drip	89	16.11	1,433.79
	TOTALS	19,860		566,172.53

(Continued on page 54)

A day in the small world of Gerber begins with a call from your Gerber representative.

TUESDAY 10:15am

Your Gerber Representative is eager to tell you about the best quality child care products you can carry. Each one of the over 400 items is designed and manufactured with care, and backed by the name mothers have trusted for more than fifty years.

And your dollars are backed with a complete range of retail marketing programs, including advertising, merchandising, displays, special sales and promotional allowances.

Why not let your Gerber Representative help you plan a child care department that means extra profits for you and extra convenience for your customers? You can stock a large variety of items from a single invoice when the name on top is Gerber. And your customers will be glad you did.

Gerber Knitted Underwear.
We've woven 100% cotton into a full line of comfort-fitted underwear that's guaranteed not to shrink out of fit even when machine washed and dried. Be prepared to hear your customers praise our line. And in a $70 million retail market, praise means profit.

Gerber Sterilizers and Feeding Appliances.
Our full range of feeding dishes, sterilizers and bottle warmers represents high quality to your customers and high unit sales to you. The feeding appliance market is at $30 million retail and growing. And who knows more about feeding babies than Gerber?

Hankscraft Steam Vaporizers and Cool Vapor Humidifiers.
Hankscraft vaporizers and humidifiers have been long-time favorites with doctors and parents alike. Our rigid requirements for safety, convenience and durability have made Hankscraft by Gerber the number one selling line of portable vaporizers and humidifiers in a $60 million retail industry. And our generous allowances mean extra traffic-building promotional dollars for you.

Gerber Nursers and Nurser Accessories.
Gerber has this more than $100 million retail category covered with a full range of high quality nurser systems and related accessories. Mothers are particularly enthusiastic about our disposable nurser system, which features a snap-off hood, a stand-up nipple, and ounce markings printed right on the disposable bottles.

Gerber Diaper and Carry-All Bags.
Even the busiest mothers want to travel in style. That's why they'll be spending $15 million on diaper and carry-all bags this year. And Gerber's wide selection of styles and prices is designed to see that you get your share of the sales.

Gerber Vinyl Pants and Bibs.
Last year, over $45 million retail were spent on vinyl pants and bibs by customers like yours. Gerber accounted for 50% of the pant sales and 20% of the bib sales. In short, no one sells more vinyl babywear than Gerber. This year, the vinyl pant 3-pack will go a long way to increase unit sales even further. So make sure you get your share.

The small world of Gerber is more than baby food.

Gerber®
Babies are our business... and have been for over 50 years.
Gerber Products Company, Fremont, MI 49412

ELECTRIC HOUSEWARES

(Continued from page 53)

SPECIALTY ELECTRICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Wear-Ever Popcorn Pumper	2,417	28.75	69,488.75
2	Proctor-Silex 4-qt ice cream frzer	1,862	13.96	25,993.52
3	Presto Popcorn Now	472	31.59	14,910.48
4	Presto Fry Daddy	517	24.85	12,847.45
5	Hamilton Beach Butter Up popper	575	14.78	8,498.50
6	Hamilton Beach Fry All	461	17.94	8,270.34
7	Mirro Butter Rite corn popper	529	9.74	5,152.46
8	Hamilton Beach Air Popper	100	32.15	3,215.00
9	Waring Ice Cream Parlor	156	19.90	3,104.40
10	Presto Hot Dogger	411	7.24	2,975.64
11	Toastmaster Mini Griddle	119	22.64	2,694.16
12	Sunbeam Gt Amer Popcorn Machine	121	20.86	2,524.06
13	Presto Grand Pappy	86	28.90	2,485.40
	TOTALS	7,826		162,160.16

SLOW COOKERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Rival 3½-qt, almond	2,189	13.06	28,588.34
2	Rival 5-qt removable liner, bg	803	25.81	20,725.43
3	Rival 3½-qt removable liner	977	21.04	20,556.08
4	Van Wyck 6-qt removable	279	24.43	6,815.97
5	Rival 3½-qt, flame	359	12.34	4,430.06
6	Rival 1-qt Crock-ette	209	11.19	2,338.71
	TOTALS	4,816		83,454.59

FOOD PROCESSORS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Hamilton Beach Cuisine Machine	247	61.48	15,185.56
2	Sunbeam Le Chef	116	109.73	12,728.68
3	Hamilton Beach food processor	157	58.53	9,189.21
4	Moulinex LaGrande food processor	86	81.58	7,015.88
	TOTALS	606		44,119.33

TOASTERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Proctor-Silex 2-slice promo	2,561	12.23	31,321.03
2	Proctor-Silex 4-slice promo	737	18.26	13,457.62
3	Toastmaster 2-slice, almond	1,079	12.44	13,422.76
4	Proctor-Silex 2-slice, pastry	673	16.23	10,922.79
5	Toastmaster 4-sl, dual contrl, wood tone	345	28.34	9,777.30
6	Proctor-Silex 4 slice, pastry	291	24.04	6,995.64
	TOTALS	5,686		85,897.14

BLENDERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Hamilton Beach 7-speed, almond	1,420	19.09	27,107.80
2	Waring 14-speed, almond	579	22.68	13,131.72
3	Oster 10-speed	545	24.05	13,107.25
4	Hamilton Beach 14-sp Blender Pl, gd	256	29.38	7,520.00
5	Waring 15-button, white	267	26.08	6,963.36
6	Oster 10-speed, glass bowl	175	29.16	5,103.00
	TOTALS	3,242		72,933.13

(Continued on page 62)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Value Is King

(Continued from page 53)

will be featured in ads breaking for back-to-school as natural items for students to take back to college.

Hair care appliances, together with drip coffeemakers, were the top electrics in unit movement on the PMA; the drips were No. 1, followed by curling wands and brushes and then by styler/dryers.

The drip coffeemaker action was due to a number of factors: (1) the replacement market, with consumers going for the traded-up models that feature controls for the amount of coffee used and for the strength of the brew; (2) the availability of name brand models in the $20-$25 range, and (3) the offering of rebates.

The last factor will become even more important next month as rebates and lower-priced name brand models are due from a number of producers, which could see drip coffeemakers going down to $13-$15, after rebates.

Drip coffeemakers clearly were the top traffic appliance during the first five months of the year, winding up as the No. 1 category in both unit and total dollar movement.

Favorite Gift Items

Personal care appliances continued to be the favorite gift items, with twice as many models showing up for the styler/dryers and for the curling wands and brushes than for any other electrics classification.

Styler/dryers were No. 2 in total dollar movement and No. 3 in total unit movement. Sales, of course, were helped by the fact that 14 of the 19 units that made the PMA were under $20, with 10 under $15. The magic $10 to $20 range is important for electrics such as styler/dryers that are often used as gifts.

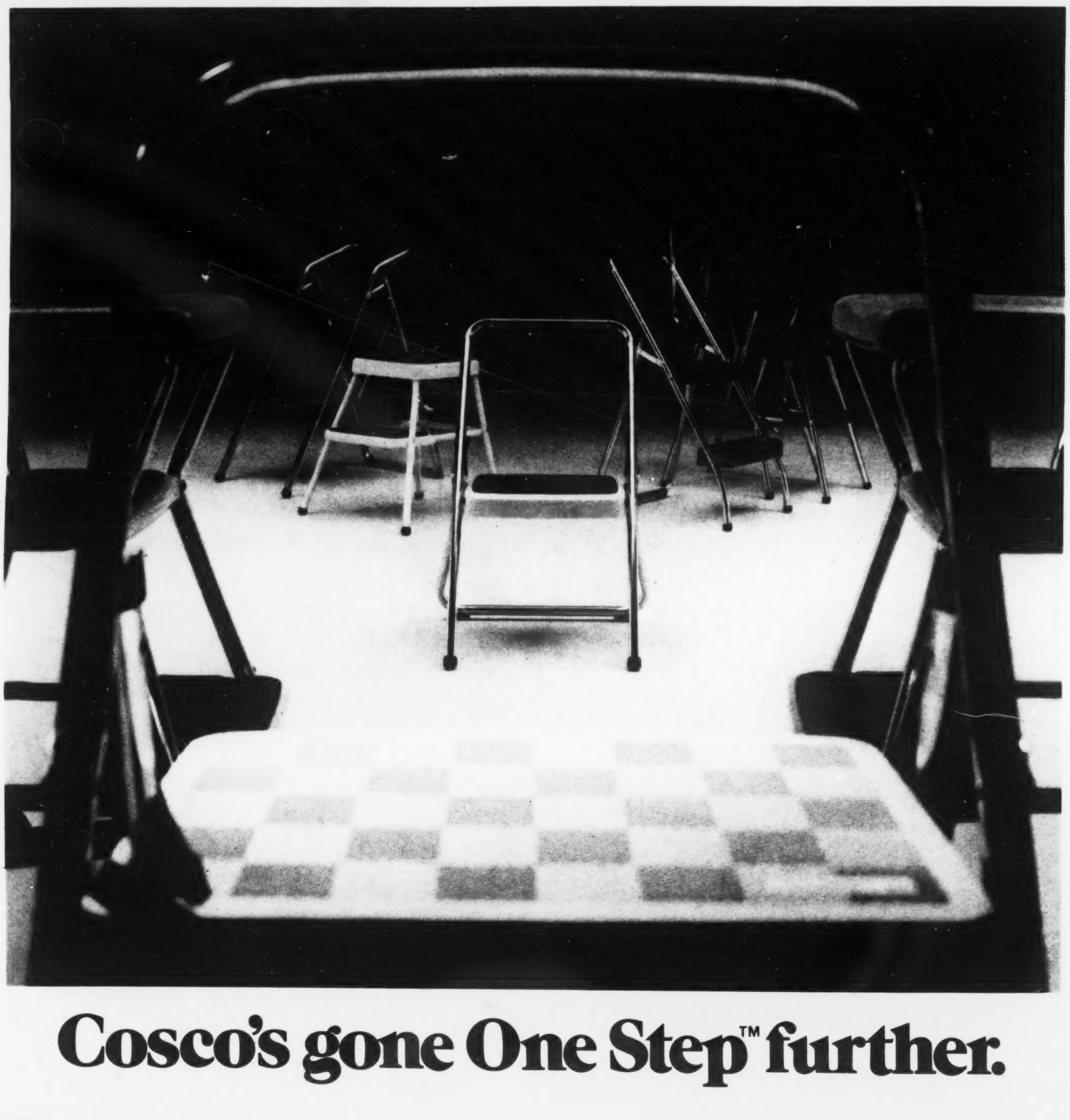
But, the value aspect is also evident from the report. The No. 1 model was a name brand Conair that fell within the magic price range while the No. 2 item was a step-up Gillette 1200 W Supermax unit that carried an average $22.80 retail. While it was above the magic price range, the name brand and higher wattage feature combined to make it a strong seller.

The curling wand story was a curling brush saga, with brushes accounting for four of the top five places on the PMA. Models from Clairol, Gillette and Norelco—name brand items—were Nos. 1, 2 and 3.

Brushes have helped the curling wand category to maintain its tonnage movement and have also resulted in the leading producers stepping up their line using the brush feature.

Curling wands were No. 2 in total unit movement, but the

(Continued on page 62)



Cosco's gone One Step™ further.

With the folding One Step.™ It's the latest addition to our full line of step stools. So it gives you more to offer. And sell.

There's a Cosco step stool for every job. And every budget. With chrome or enameled steel frames. Upholstered seats. And molded steps or molded-on treads that are as tough as any job.

COSCO
ONE STEP
FOLDING
STOOL

Our new One Step™ has a color package that sells all by itself.

We've been the leader in step stools for a long time. And we'll continue to maintain our strong reputation by offering "supply on demand" service. Merchandising help for your peak sales periods. And a product line that improves year after year. Because Cosco's willing to go one step further.

COSCO
Subsidiary of Walter Kidde & Company, Inc.
KIDDE
2525 State Street, Columbus, Indiana 47201

HOUSEWARES SHOW SECTION

ELECTRIC HOUSEWARES

(Continued from page 54)

IRONS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Proctor-Silex steam	2,060	12.51	25,770.60
2	Hamilton Beach Speed-O-Light II	568	16.44	9,337.92
3	Sunbeam self-clean	333	27.55	9,174.15
4	Proctor-Silex steam/spray, self-clean	460	19.58	9,006.80
5	Sunbeam steam iron, promo	735	12.09	8,886.15
6	Proctor-Silex steam/spray	521	15.20	7,919.20
7	Sunbeam self-clean, promo	364	21.48	7,818.72
8	Hamilton Beach Smart Iron	215	29.38	6,316.70
9	Struhl travel iron	661	5.94	3,926.34
10	Sunbeam Today iron	152	20.49	3,114.40
	TOTALS	6,069		91,270.98

STAND MIXERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Sunbeam w/dough hook, white	299	76.53	22,882.47
2	Waring 6-speed, 2-way, white	609	19.88	12,106.92
3	Hamilton Beach 12-sp, stainless bowl	116	33.38	3,872.08
	TOTALS	1,124		38,861.47

HAND MIXERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Hamilton Beach 3-sp, gold	2,349	10.59	24,875.91
2	Waring 6-speed, white	807	12.85	10,369.95
3	Hamilton Beach 5-sp w/case, almond	546	18.71	10,215.66
4	Sunbeam 3-speed, white	826	10.73	8,862.98
5	Sunbeam 5-spd, Burst of Power, white	376	21.31	8,012.56
6	Moulinex w/dough hooks	196	22.15	4,341.40
7	Betty-G 5-speed, white	180	9.99	1,798.20
	TOTALS	5,280		68,476.66

CAN OPENERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Rival, almond	2,319	10.28	23,839.32
2	Waring w/knife sharp, gold	902	13.39	12,077.78
3	Rival w/knife sharp, almond	854	11.94	10,196.76
4	Rival w/knife sharp, white	601	14.06	8,450.06
5	Rival, gold	439	10.19	4,473.41
6	Betty-G w/knife sharp, white	385	9.73	3,746.05
7	Rival w/knife sharp, gold	237	12.05	2,855.85
8	Oster, white	132	16.19	2,137.08
9	Waring, gold	78	8.31	648.18
	TOTALS	5,947		68,422.49

Source: Myron Nickman Distributors

MacDonald Biz Up; Operating Net Dips

DAYTON, Ohio—MacDonald catalog showrooms boosted sales 5.7% but experienced an 82.9% drop in operational income for the fiscal year ended Feb. 3.

Sales went to $25,461,697 from $24,089,273, but operational earnings dropped to $198,597 from $1,163,473.

The chain, a division of the E. F. MacDonald Co., has switched from the Jewelcor group to Merchandisers' Association Inc., in a move to increase showroom volume by using a catalog geared for $5 million-plus sales.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Value Is King

(Continued from page 54)

low average price for most models—all 15 models were tagged under $15 and eight were under $10—resulted in the classification being No. 4 in total dollar movement, behind specialty electrics.

The weeding out of fringe traffic appliances was most evident in the specialty electrics report, with popcorn makers accounting for six of the 13 items, and ice cream makers—a strong seasonal seller—for two others.

The other specialty item to make any impact was the mini-deep fat fryer, with three models on the chart. This item has become a staple similar to electric knives, with only a few manufacturers offering models and most discounters carrying one or two sku's.

Of the six popcorn makers that made the report, three were hot-air models, including a Wear-Ever Popcorn Pumper, No. 1, and a Presto Popcorn Now, No. 3. But, the original oil-cooking type remains a strong seller, with a Hamilton Beach Butter Up popper No. 5 and a Mirro Butter Rite unit No. 7.

Rebates Planned

A number of producers plan to offer rebates for hot-air popcorn makers this fall that should make these units retail for around $20-$22 after rebates.

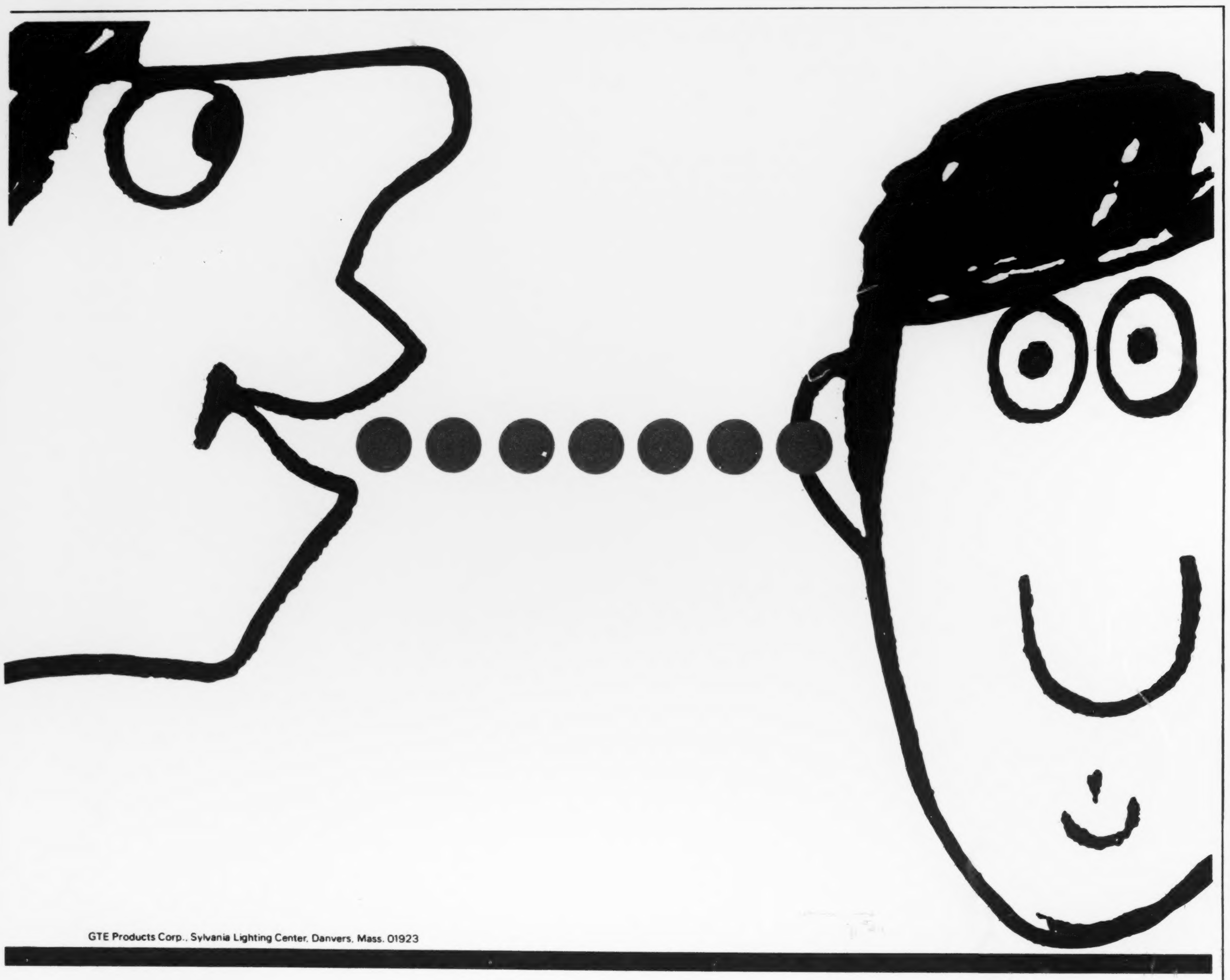
Irons, interestingly, were the No. 5 classification in both unit and total dollar sales. This showing denotes a strong rebound due to the greater use of cotton in clothing and the development of the lightweight iron.

Three lightweight irons were among the 10 that made the PMA (a travel iron also made the report), indicating the importance that this type has assumed. Proctor-Silex, which has a steam iron that was No. 1 on the report, is due to introduce a new line of lightweight irons; only Hamilton Beach and Sunbeam lightweight models made the report.

The other basic electrics—toasters, slow cookers, mixers and blenders, showed action on the report mainly within the magic $10-$20 range. Four of the six toasters, for example, were tagged under $20, with two under $15.

It's in these staples that the combination of feature and price to show a value is important for everyday sales, especially as discounters and other retailers tend to promote these items less often.

Food processors have slowed down—only four models made the PMA—and price has become the key to sales. Manufacturer awareness of this is behind the plan to offer models and rebates that will make food processors go out at under $40.



GTE Products Corp., Sylvania Lighting Center, Danvers, Mass. 01923

What lightbulb always says quality?

Sylvania Blue Dot® comes across loud and clear. We've built a reputation over the years based on performance. Because we pay attention to details every single day.

Just one example. Before any bulb reaches your shelf, we put it through 40 separate and unforgiving inspections. Since we've done all the checking, you can feel confident at your checkout.

And that's a good thing, too. Customers are very concerned about the quality of lightbulbs. With Sylvania, you've got a name consumers are willing to pay for. Because they know the quality is there.

For years, customers have also known that they can count on Sylvania flashbulbs. And that puts the most effective kind of advertising behind all your Blue Dot sales. Word of mouth.

SYLVANIA Blue Dot | GTE

HOUSEWARES SHOW SECTION

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Rangetopper Biz Seen Fair In Coast Bow

By Jerry Falk
Executive Vice President,
Bacar Inc. Distributors

Three Corning Rangetopper skillets made the Product Movement Audit for the Jan. 1 through May 30 period as this merchandise made its debut on the West Coast.

The rankings, No. 8 and 19 for 10-in. skillets in the Spice and Wildflower pattern and No. 17 for an 8½-in. fry pan in the Spice design, reflected initial shipments to discounters and other retailers.

It's still too early to make any final judgment on how well this line is going to sell, as unfortunately, it was introduced in California just about the time that the effects of the recession were beginning to be felt at the retail level.

However, those stores that have made a strong effort to display Rangetoppers and have some knowledgeable sales people who can do a certain amount of selling have done fairly well with this merchandise.

Rangetoppers are one of the few new items to make the PMA. In view of the generally soft economy, not too much in the way of new or innovative merchandise can be exepected and manufacturers will be making few changes in basic lines.

New Profit Areas

What seems to be happening—and what is evident from the PMA—is an upswing in lines and categories that were either downplayed or overlooked in the past, as discounters search out new profit areas.

A prime example of this is microwave accessories. They are continuing to grow stronger despite the economy as more and more families use microwave ovens for cooking. While the growth in both microwave oven sales and movement of microwave accessories has been greatest in the West, there are indications from retailers and manufacturers that similar trends are developing throughout the country.

Microwave accessories showed up in three different categories in the PMA: cookware, Corning Ware and Pyrex.

In the cookware area, six items made the chart, with Nordic's Micro-Go Round in No. 4 while bacon racks from Anchor Hocking and Nordic were Nos. 11 and 17. Even spe-

(Continued on page 73)

HOUSEWARES

These housewares PMA figures are for the period Jan. 1-May 30. They were supplied by Bacar Inc., Distributors, San Jose, Calif., and cover 1,300 stores, including 200 discount department stores. Average retail prices listed by the distributor reflect typical price points for discount clients.

TABLETOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Expressions 20-pc set, Wildflower	2,473	69.08	178,834.84
2	Expressions 20-pc set, Indian Summer	2,019	69.08	139,472.52
3	Corelle 20-pc set, gold	2,860	38.28	109,480.80
4	Corelle 20-pc set, green	2,469	38.28	94,513.32
5	Corelle 20-pc set, Woodland	2,351	38.28	89,996.28
6	Corelle 20-pc set, white	2,288	36.36	83,191.68
7	Expressions 20-pc set, Meadow	1,088	69.08	75,159.04
8	Corelle 20-pc set, blue	1,662	38.28	63,621.36
9	Royal China 20-pc set, Woodland Magic	1,589	36.00	57,204.00
10	Expressions 20-pc set, Batik	583	69.08	40,273.64
11	Royal China 20-pc set, Sussex	956	36.00	34,416.00
12	Royal China 20-pc set, Sante Fe	744	36.00	26,784.00
13	Royal China 20-pc set, Frolic	549	36.00	19,764.00
14	Expressions 20-pc set, Blue Heather	255	69.08	17,615.40
15	Royal China 20-pc set, Somerset	383	45.00	17,235.00
16	Royal China 20-pc set, Springfield	343	45.00	15,435.00
17	Royal China 20-pc set, Floribunda	323	45.00	14,535.00
18	Corelle large plate, white	1,754	8.23	14,435.42
19	Corelle large plate, gold	1,338	9.37	12,537.06
20	Corelle medium bowl, white	1,702	7.29	12,407.58

GLASSWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Libbey 6½-oz tall wine, Citation	4,838	5.58	26,996.04
2	Libbey 6½-oz red wine, Citation	3,108	5.58	17,342.64
3	Libbey 11-oz white wine, Citation	2,977	5.04	15,004.08
4	Wheaton 1-gal sun tea jar w/lid	3,566	3.78	13,479.48
5	Libbey 10-oz goblet, Citation	2,198	5.58	12,264.84
6	Libbey 12-oz red wine, Citation	2,272	5.04	11,450.88
7	Libbey 9" crystal egg jar	3,519	3.24	11,401.56
8	Libbey 10½" Korner Keeper	3,495	3.15	11,009.25
9	Libbey 8" Korner Keeper	3,921	2.79	10,939.59
10	Libbey 1-oz cordial, Citation	1,931	5.58	10,774.98
11	Libbey 7¾" crystal egg jar	3,957	2.61	10,327.77
12	Libbey 5-pc sun brew tea set	1,224	8.10	9,914.40
13	Libbey 6½-oz sherbet, Citation	1,772	5.58	9,887.76
14	Anchor Hocking, 4-lb candy jar w/lid	3,394	2.79	9,469.26
15	Libbey 24-pc chivalry	398	23.40	9,313.20
16	Libbey 6¼" crystlal egg jar	5,748	1.62	9,311.76
17	Libbey 13½" Korner Keeper	2,209	3.87	8,548.83
18	Anchor Hocking butter dish, Wexford	4,633	1.80	8,339.40
19	Anchor Hocking 2-lb candy jar w/lid	3,958	2.07	8,193.06
20	Libbey 24-pc set, Tawny Accent	388	19.80	7,682.40

COOKWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Regal, 10" skillet, SilverStone	10,016	9.89	99,058.24
2	Wear-Ever 10" fry pan, Preferred, SilverStone	9,874	9.88	97,555.12
3	Wear-Ever 8" fry pan, Preferred, SilverStone	9,458	7.64	72,259.12
4	Nordic Micro-Go-Round	1,603	43.19	69,233.57
5	Revere 2⅓-qt tea kttl, cop btm	4,150	16.65	69,097.50
6	Columbian, 7-qt canner jar, blue	4,146	16.15	66,957.90

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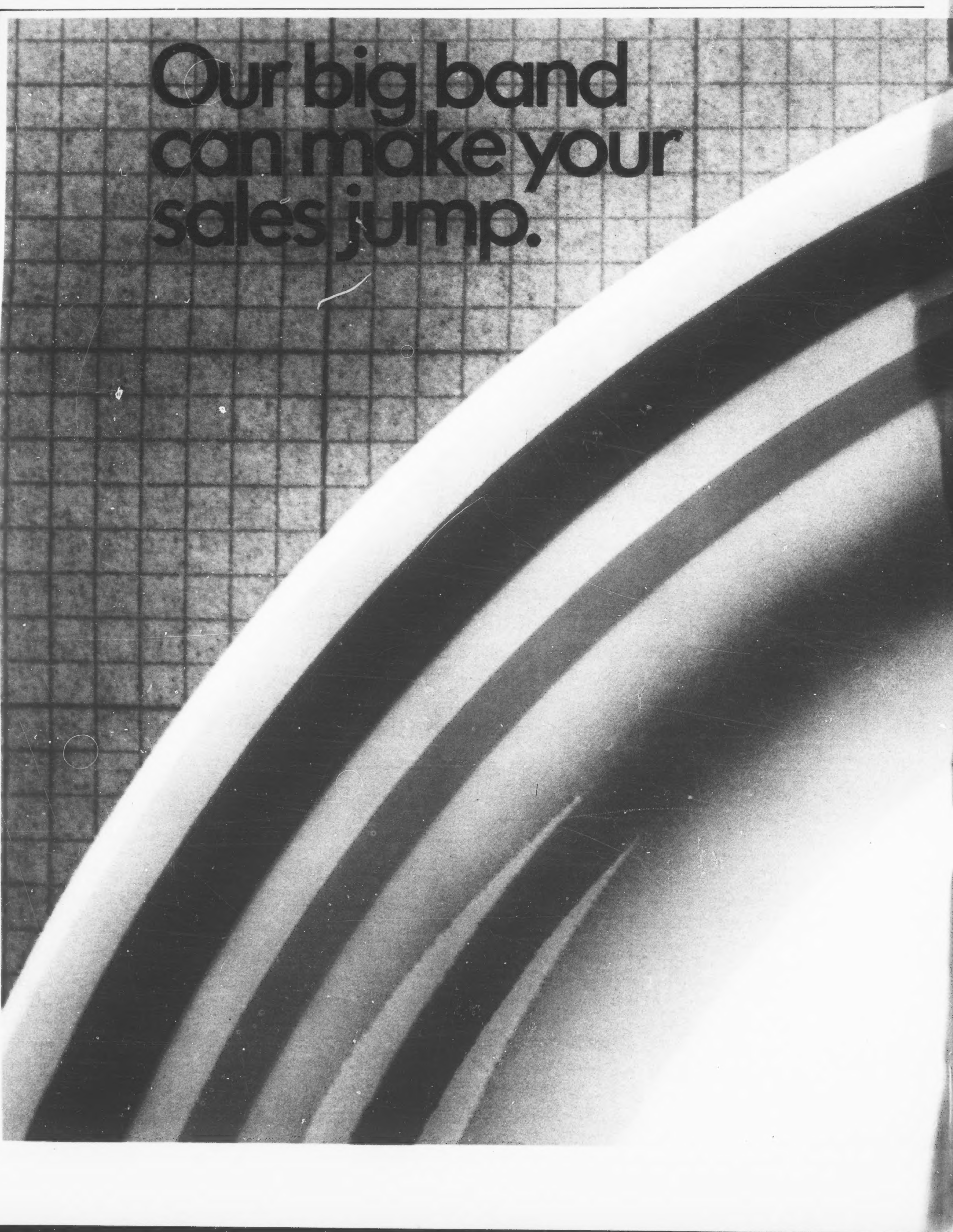


HOUSEWARES SHOW SECTION

HOUSEWARES

(Continued from page 72)

COOKWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
7	T-Fal 7" skillet, caramel	9,150	7.18	65,697.00
8	Revere 1-qt saucepan, copper-clad	3,911	16.20	63,358.20
9	Melitta 10-cup drip coffeemaker	8,807	7.19	63,322.33
10	Revere 6-cup tea kettle, stainless steel	3,916	14.85	58,152.60
11	Anchor Hocking microwave bacon rack	8,646	6.02	52,048.92
12	T-Fal 10" skillet, rouge	3,593	13.48	48,433.64
13	Revere, 3¼-qt tea kettle, cop-btm	2,159	21.60	46,634.40
14	Micro-ette 5-qt corn popper	3,350	11.69	39,161.50
15	Litton large micro browner	1,266	29.65	37,536.90
16	T-Fal 10" skillet, hard base, rouge	2,400	13.48	32,352.00
17	Nordic micro bacon rack	4,353	6.74	29,339.22
18	Nordic 12-cup micro bundt pan	4,546	6.29	28,594.34
19	T-Fal 12" skillet, hard base, rouge	1,700	15.28	25,976.00
20	T-Fal 7" skillet, rouge	3,603	7.18	25,869.54

GADGETS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Lux timer, minute minder	5,034	6.28	31,613.52
2	E-Z Foil electric burner bib	13,031	1.88	24,498.28
3	Ekco 7-pc tool set, Country Cupboard	2,077	8.95	18,589.15
4	Range Kleen 8" GE range pan	9,432	1.80	16,977.60
5	Range Kleen 6" reflect pan, GE	11,065	1.35	14,937.75
6	Swing-A-Way, hand can opener, chocolate	3,936	3.58	14,090.88
7	E-Z Foil oven liner	7,044	1.88	13,242.72
8	OK 7" × 14" over-sink board	3,432	3.77	12,938.64
9	Range Kleen 6" reflector pan	9,042	1.35	12,206.70
10	Foley jar lifter	4,221	2.87	12,114.27
11	Bromwell large grater, stainless	3,820	3.15	12,033.00
12	Range Kleen 8" reflector pan	6,672	1.80	12,009.60
13	Ekco kitchen tong	7,775	1.43	11,118.25
14	Ekco Flint beater	1,374	7.91	10,868.34
15	Range Kleen 6" reflector pan, super element	4,272	2.47	10,551.84
16	Range Kleen 8" reflector pan, super element	3,564	2.92	10,406.88
17	Chaney candy/jelly thermometer	5,496	1.70	9,343.20
18	American Family diet scale	1,844	4.95	9,127.80
19	Swing-A-Way jr hand can opener	5,004	1.79	8,957.16
20	Taylor meat thermometer	1,482	6.02	8,921.64

PLASTICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Tucker 30-gal garbage can	6,957	11.68	81,257.76
2	Flambeau ice pop maker	8,112	1.78	14,439.36
3	Frigidaire ice cube tray	7,908	1.79	14,155.32
4	Arrow 16-oz Rainbow Tumbler	21,548	0.62	13,359.76
5	Republic 1-qt uprite Freezette set	4,848	2.69	13,041.12
6	Republic 1-pt uprite Freezette set	4,158	2.69	11,185.02
7	Tucker 30-oz tumbler	13,344	0.80	10,675.20
8	Republic 1½-pt uprite Freezette set	3,852	2.69	10,361.88
9	Republic 2½-ltr round jar, Freezette set	4,068	1.97	8,013.96
10	Republic 3-qt flat Freezette	3,516	2.06	7,242.96
11	Eagle 7½-qt SuperSeal bowl	1,548	4.67	7,229.16
12	Republic 1-gal Freezette refrigerator bottle	2,832	2.51	7,108.32
13	Republic uprite ½-gal Freezette	4,332	1.61	6,974.52
14	Republic small Freezette meat keeper	3.060	2.24	6,854.40
15	Sterilite 69-oz pitcher	6,384	1.07	6,830.88
16	Republic 12-oz uprite Freezette	2,496	2.69	6,714.24
17	Republic 2-qt Freezette refrigerator bottle	4,664	1.43	6,669.52
18	Lustro-Ware 4-pc bowl set, white	1,476	3.77	5,564.52
19	Dial migit ice cube tray	3,805	1.43	5,441.15
20	Republic 2½-pt Freezette container	3,566	1.52	5,420.32

(Continued on page 80)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Rangetoppers

(Continued from page 72)

cialty items for microwave ovens scored high, with a Micro-ette 5-qt. corn popper No. 14, Litton's browner No. 15 and Nordic's 12-cup bundt pan No. 18.

Despite the strong showing of microwave items, metal cookware accounted for 12 of the listings, with nonstick finishes—either SilverStone or T-Fal—on eight pieces, including the top three items.

As always, tea kettles were high on the chart—Nos. 5, 10 and 13—and General Housewares' Columbian canner was No. 6, reflecting the advent of the canning season.

In the Corning Ware category, the top item was a microwave browning grill, while six other items geared for microwave oven use made the report, including a microwave cookware set, a browning skillet and a cooker with a built-in rack specifically labeled for such use.

Lower Ticket

One line of Corning Ware that didn't make the PMA, but which has received excellent initial sales and substantial reorders, is the French White offering. The key reason for the failure to score higher is that this merchandise carries a lower ticket than the sets, Rangetoppers and microwave cookware that dominated the chart.

The clear glass, white glass and Fireside amber-colored glass cookware can be used in microwave ovens, and this merchandise accounted for 11 of the Pyrex items. Clear glass dominated the list, however, primarily because Corning had so much trouble delivering in the latter part of last year and earlier this year that, when this merchandise finally came back into stock, there was a big vacuum to be filled.

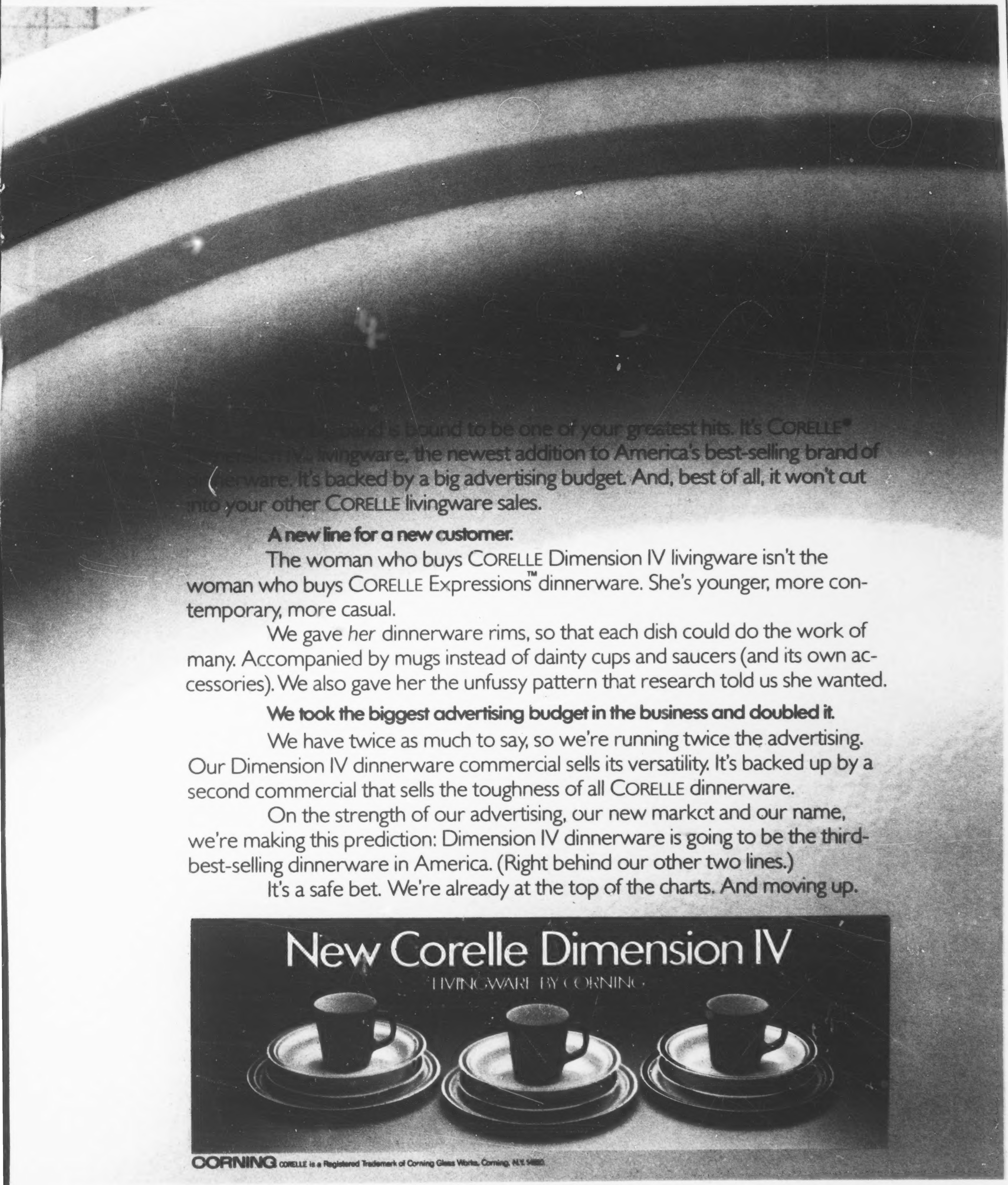
Extend Efforts

Corning's strong marketing efforts have also extended to Corelle and Expressions dinnerware which form the heart of the tabletop area. Despite some recent slowing down in sales of these two lines, they still head the list. This new situation is evident from the chart, which had seven different Royal China 20-pc. dinnerware sets among the top sellers, the first time so many such items have scored in the PMA.

One category that had new items was glassware; sun brewing of tea has become a big craze and two items geared for this made the report, a Wheaton jar as No. 4 and a 5-pc. Libbey tea set as No. 12.

Traditionally, the glass manufacturers make a midyear

(Continued on page 80)



[illegible] is bound to be one of your greatest hits. It's CORELLE® Dimension IV livingware, the newest addition to America's best-selling brand of dinnerware. It's backed by a big advertising budget. And, best of all, it won't cut into your other CORELLE livingware sales.

A new line for a new customer.

The woman who buys CORELLE Dimension IV livingware isn't the woman who buys CORELLE Expressions™ dinnerware. She's younger, more contemporary, more casual.

We gave *her* dinnerware rims, so that each dish could do the work of many. Accompanied by mugs instead of dainty cups and saucers (and its own accessories). We also gave her the unfussy pattern that research told us she wanted.

We took the biggest advertising budget in the business and doubled it.

We have twice as much to say, so we're running twice the advertising. Our Dimension IV dinnerware commercial sells its versatility. It's backed up by a second commercial that sells the toughness of all CORELLE dinnerware.

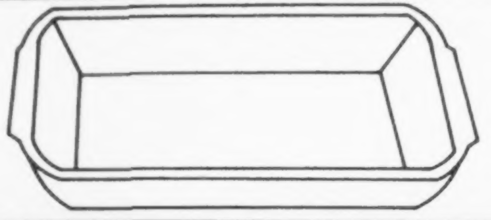
On the strength of our advertising, our new market and our name, we're making this prediction: Dimension IV dinnerware is going to be the third-best-selling dinnerware in America. (Right behind our other two lines.)

It's a safe bet. We're already at the top of the charts. And moving up.

New Corelle Dimension IV

LIVINGWARE BY CORNING

CORNING CORELLE is a Registered Trademark of Corning Glass Works, Corning, N.Y. 14830.



HOUSEWARES SHOW SECTION

HOUSEWARES

(Continued from page 73)

CLEANING & CHEMICALS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	National corn broom, economy	9,576	3.50	33,516.00
2	Mop-A-Matic sponge mop	2,821	10.26	28,943.46
3	O-Cedar power strip sponge mop	3,216	7.34	23,605.44
4	Roll-O-Matic sponge mop	2,364	9.45	22,339.80
5	O-Cedar angler broom	3,819	5.59	21,348.21
6	Magla latex gloves, medium	14,799	1.16	17,166.84
7	Ballanoff copper dustpan	9,986	1.52	15,178.72
8	Empire 18" push broom, Palmyra	2,082	7.19	14,969.58
9	Magla latex gloves, large	11,844	1.16	13,739.04
10	O-Cedar Light & Easy sponge mop	2,430	5.59	13,583.70
11	Quickie automatic sponge mop	2,094	6.29	13,171.26
12	Gem deluxe sponge mop w/scrub	1,998	6.11	12,207.78
13	McClung corn broom, sunflower	1,632	7.46	12,174.72
14	National corn broom	1,657	6.92	11,466.44
15	O-Cedar Light & Easy nylon dust mop	2,043	5.59	11,420.37
16	Magla latex gloves, small	9,397	1.16	10,900.52
17	National corn broom, brown	1,836	5.84	10,722.24
18	Hoover vacuum bags, upright	11,885	0.90	10,696.50
19	National corn broom, thrifty	2,208	4.76	10,510.08
20	3M kitchen scrub sponge	16,344	0.62	10,133.28

BATH SHOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Grayline large shower caddy	6,544	6.28	41,096.32
2	Borg scale, Futura, brown	1,171	12.59	14,742.89
3	Borg scale, Futura, gold	1,122	12.59	14,125.98
4	Borg scale, Futura, white	1,116	12.59	14,050.44
5	Grayline shower caddy	4,551	2.87	13,061.37
6	Kellogg bowl brush, plastic	9,792	0.89	8,714.88
7	Selfix shampoo spray	3,050	1.88	5,734.00
8	Empire bowl brush w/wood handle	5,577	0.88	4,907.76
9	Kellogg bath brush	2,700	1.34	3,618.00
10	Empire bath brush/sponge	1,516	2.15	3,259.40
11	Empire super bowl brush	2,484	1.25	3,105.00
12	Selfix port wall/hand shower	353	8.54	3,014.62
13	Borg scale, Williamsburg Gold	153	17.09	2,614.77
14	Ekco 18" towel bar, chrome	1,188	1.97	2,340.36
15	Arrow bath caddy, pearltone	1,668	1.34	2,235.12
16	Ekco 24" towel bar, chrome	954	2.33	2,222.82
17	Ekco 24" towel bar, die cast	492	4.40	2,164.80
18	Borg scale, Williamsburg Brown	125	17.09	2,136.25
19	Borg scale, Pig	113	18.89	2,134.57
20	Borg scale, Feminique, brown	103	20.69	2,131.07

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Clean-up caddy, almond	6,799	4.48	30,459.52
2	32-gal Roughneck trash can, choco	1,252	21.55	26,980.60
3	12" Slide-out drawer, almond	3,299	8.05	26,556.95
4	Wrap and bag organizer, almond	5,596	4.48	25,070.08
5	16" Slide-out drawer, almond	2,751	8.95	24,621.45
6	32-gal Roughneck trash can, avocado	1,096	21.55	23,618.80
7	Broom and mop holder, almond	5,205	4.48	23,318.40
8	Ice cube tray	24,181	0.80	19,344.80
9	Ironing organizer, almond	4,045	4.48	18,121.60
10	Single turntable, almond	7,915	2.06	16,304.90
11	Cat litter tray	2,496	6.25	15,600.00
12	15¾" Turntable, almond	3,405	4.48	15,254.40
13	10¾"-hi Rectangle laundry basket, choc	3,402	4.48	15,240.96
14	19" × 21" Storage turntable, almond	2,395	6.25	14,968.75

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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Rangetoppers

(Continued from page 73)

change with new patterns; as is customary, the changes apply to 8-pc. gift box sets, rather than bulk or 4-pack glassware.

Because of the high cost of packaging, gift box sets have, as a classification, suffered in sales in recent years. A number of manufacturers will try to counteract this situation at the housewares show by coming out with simpler, less-fancy packaging for the gift box sets.

The area to watch for increased sales is multiple sets, primarily 24-pc. offerings, because they represent a recognizable value to consumers. Retailers will be looking for more and more promotions to stimulate flagging sales and they will want to promote from within their basic assortment. Manufacturers of such basics as glassware can be expected to have special price promotions for the fall.

No 8-pc. beverage gift box set made the PMA, indicating the weak demand for such merchandise. Wineglasses and glass containers dominated the listing.

Canning Items

Canning-related items showed up strong in the gadgets area. The assortment ranged from a Lux timer, No. 1, to a Foley jar lifter, No. 10, an Ekco kitchen tong, No. 13 and a Chaney candy/jelly thermometer, No. 17.

One new item made the gadgets PMA, a 7-pc. Ekco tool set in the Country Cupboard pattern as No. 3.

Seasonal items were important in the plastics category, where a Flambeau ice pop maker was No. 2 and a Frigidaire ice cube tray was No. 3. Other strong selling plastics were Freezette containers from Republic, which captured 11 places.

A Tucker 30-gal. garbage can, with an average $11.68 price, was No. 1 in plastics, indicating the interest in a large-volume waste container at a sharp price.

But step-ups are still possible for waste containers. In the Rubbermaid listing, 32-gal. Roughneck trash cans in chocolate and avocado were Nos. 2 and 6, reflecting the strong

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Hills Will Open 4th In Nashville Area

NASHVILLE—Hills will open its fourth store here in October.

The 80,000-sq.-ft. unit will be located on Lebanon Pike in the northeast section of the city. Hills currently operates 81 discount department stores, and is a division of of SCOA Industries, Columbus, Ohio.

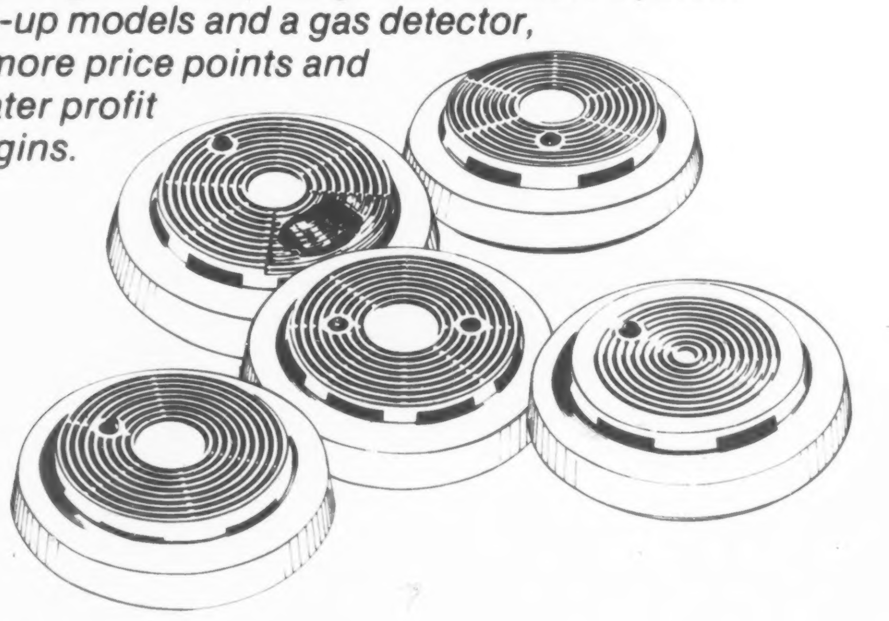
The First names in home security.

Today, more than ever, people are concerned with security. First Alert, with its expanding line-up of electronic security and related devices, is rapidly opening up new markets for the aggressive retailer.

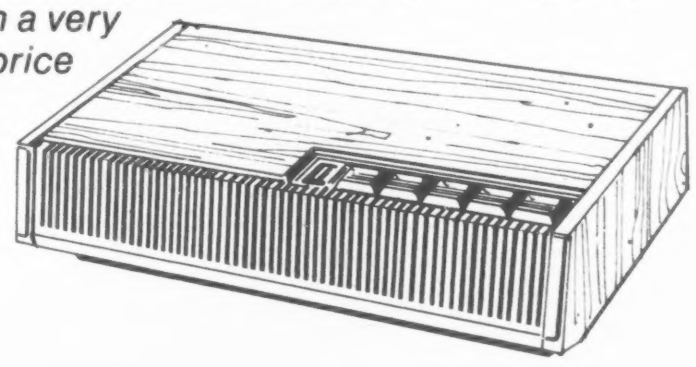
First Alert

New First Alert
Home Command Center™
This computerized electronic system is designed to give the consumer control over most electrically powered devices in the home. Instantaneous fingertip remote control with the manual model and automatic pretimed control with the programmable model.
Consumer benefits include security, convenience and energy saving.

First Alert
Smoke Detectors
Only First Alert offers five different smoke detectors including the Escape Light and Double System step-up models and a gas detector, for more price points and greater profit margins.

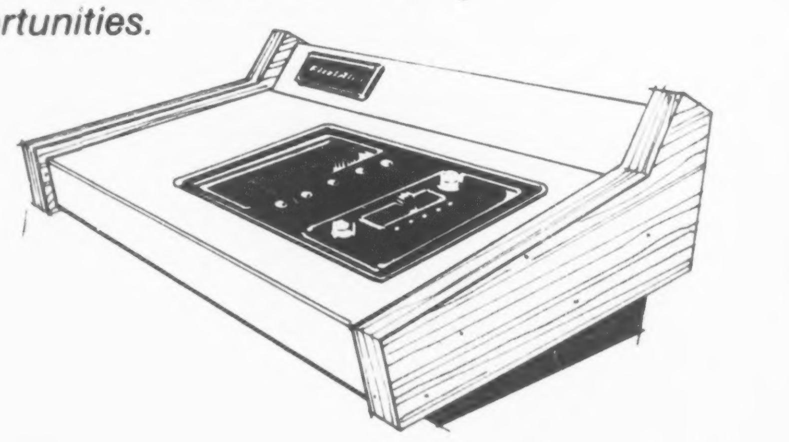


First Alert
Ultrasonic Burglar Alarm
For the consumer who's interested in area protection, this alarm system offers plug-in simplicity coupled with a very reasonable price point.

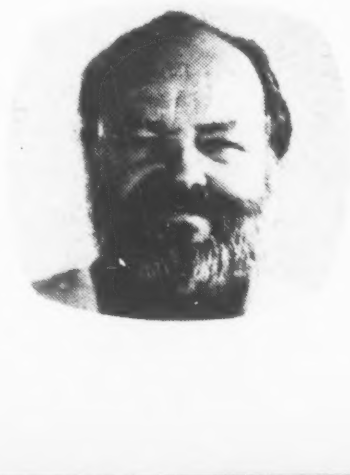


First Alert
Vehicle Security System
To protect what for most people is their second most valuable possession, their car, van or R.V. This new automotive security system is designed for quick and easy installation and priced for big volume sales.

First Alert
Family Protection System™
This perimeter home burglar alarm uses wireless electronic technology for easy installation and an attractive price point. Its capability to be expanded for increased protection with accessories like additional transmitters, a remote smoke detector, siren, etc. offers the retailer continuing profit opportunities.



Finally, at First Alert we're committed to continuing new product development and to the most consistently aggressive advertising program in the entire category. A program that includes consumer rebates, broadcast and print advertising starring William Conrad and a comprehensive range of sales support aids.



First Alert® by PITTWAY®
"The professionals in Home and Family Protection."

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Rangetoppers

(Continued from page 80)

growth of this line. The high standings denote the fact that consumers will pay a higher price for an item if the quality is obvious.

The Rubbermaid report contained one new item, a cat litter tray as No. 11. It's another example of the manufacturer's program of expanding into new products that can be fabricated out of its plastic material.

Scales scored high on the bath shop chart, capturing seven listings, including Nos. 2, 3 and 4 for the Borg Future design in three different colors, brown, gold and white.

Other Key Items

The other key items in this area included bath or bowl brushes from Kellogg (Nos. 6 and 9) and from Empire (Nos. 8, 10 and 11) and bath caddies from Grayline (Nos. 1 and 5) and Arrow (No. 15). These items tend to carry slightly higher prices than the towel bars and soap holders that traditionally are the key products in the bath shop; they denote the readiness of consumers to spend the additional dollars for bath shop items that set the fashion look for the bathroom.

Sponge mops have become a key cleaning and chemical item, accounting for six listings, including Nos. 2, 3 and 4. These items, especially the three top sellers, carry the highest prices of any merchandise in the cleaning-and-chemicals area and indicate consumer demand for special feature mops that make floor cleaning quicker and easier.

HOUSEWARES

(Continued from page 80)

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
15	Twin turntable, almond	4,063	3.58	14,545.54
16	10¾"-hi Rectangle laundry basket, gold	2,916	4.48	13,063.68
17	15"-hi Wastebasket, choc	3,582	3.58	12,823.56
18	12"-wide Shelf liner, cane, chocolate	9,320	1.34	12,488.80
19	Single turntable, gold	6,023	2.06	12,407.38
20	22"-wide Shelf liner, cane, choc	9,028	1.34	12,097.52

CORNINGWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Microwave browning grill	2,563	21.24	54,438.12
2	Kitchen Starter set, Spice	935	37.48	35,043.80
3	Microwave set	845	37.48	31,670.60
4	Grab-It set	3,220	9.01	29,012.20
5	Kitchen Starter set, Wildflower	773	37.48	28,972.04
6	Cook's Choice set, Wildflower	437	53.02	23,169.74
7	Cook's Choice set, Spice	428	53.02	22,692.56
8	10" Rangetop skillet, Spice	771	29.26	22,559.46
9	Sidekick	3,522	6.30	22,188.60
10	Grab-"4"-It set	1,282	17.13	21,960.66
11	Casser-ette	3,750	5.85	21,937.50
12	3-qt Saucepan, Spice	1,212	17.33	21,003.96
13	Menu-ette set, Spice	891	22.84	20,350.44
14	2½-qt Casserole, Spice	1,191	16.70	19,889.70
15	10" Microwave Browing skillet	1,209	16.02	19,368.18
16	Menu-ette set, Cornflower	1,085	17.37	18,846.45
17	8½" Rangetop skillet, Spice	693	26.51	18,371.43
18	Menu-ette set, Wildflower	797	22.84	18,203.48
19	10" Rangetop skillet, Wildflower	609	29.26	17,819.34
20	10" Microwave cooker w/built-in rack	1,118	15.49	17,317.82

PYREX

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3-qt Oblong bake dish	14,002	4.55	63,709.10
2	2-qt Oblong bake dish	8,134	4.09	33,268.06
3	8-oz Liquid measure	17,087	1.80	30,756.60
4	8" Square cake dish	7,456	3.47	25,872.32
5	3-qt Utility dish w/basket	1,996	12.78	25,508.88
6	1-pt Liquid measure	11,052	2.28	25,198.56
7	2-liter Juice jar	8,317	2.35	19,544.95
8	6-oz Custard cup, 4-pack	6,546	2.73	17,870.58
9	10-oz Deep pie dish, 4-pk	4,358	3.65	15,906.70
10	3-pc Mixing bowl set	3,474	4.41	15,320.34
11	2-qt Serving Pitcher	2,094	6.85	14,343.90
12	3-pc Casserole set, Autumn Harvest	1,036	13.66	14,151.76
13	1-qt Casserole, white	7,503	1.65	12,379.95
14	9" Pie plate, white	7,412	1.65	12,229.80
15	3-pc Casserole set, Woodland	839	13.66	11,460.74
16	9" Pie plate	5,663	1.99	11,269.37
17	1-qt Liquid measure	3,319	3.20	10,620.80
18	9-pc Starter set	751	13.66	10,258.66
19	1½-qt Loaf dish, white	6,183	1.65	10,201.95
20	4-pc Bowl set, Autumn Harvest	950	10.49	9,965.50

Source: Bacar Inc.

Gemco/Memco Parent Declares Dividend

DUBLIN, Calif.—Lucky Stores, parent of the Gemco/Memco discount department store chain, has declared a cash dividend of 28 cents a share of common, payable July 3 to shareholders of record June 9, 1980.

Jamesway Net Falls Despite Sales Rise

SECAUCUS, N.J.—Jamesway declared a regular quarterly cash dividend of 3¢ per share on outstanding common stock at its recent annual meeting here. The dividend is payable July 11 to stockholders of record as of June 26.

Herbert Fisher, chairman of the 62-store regional chain, said higher sales and earnings were projected, despite first-quarter results. While sales for the quarter showed a 24% increase, net earnings dropped to $192,000—a 61.5% decrease from the same period last year.

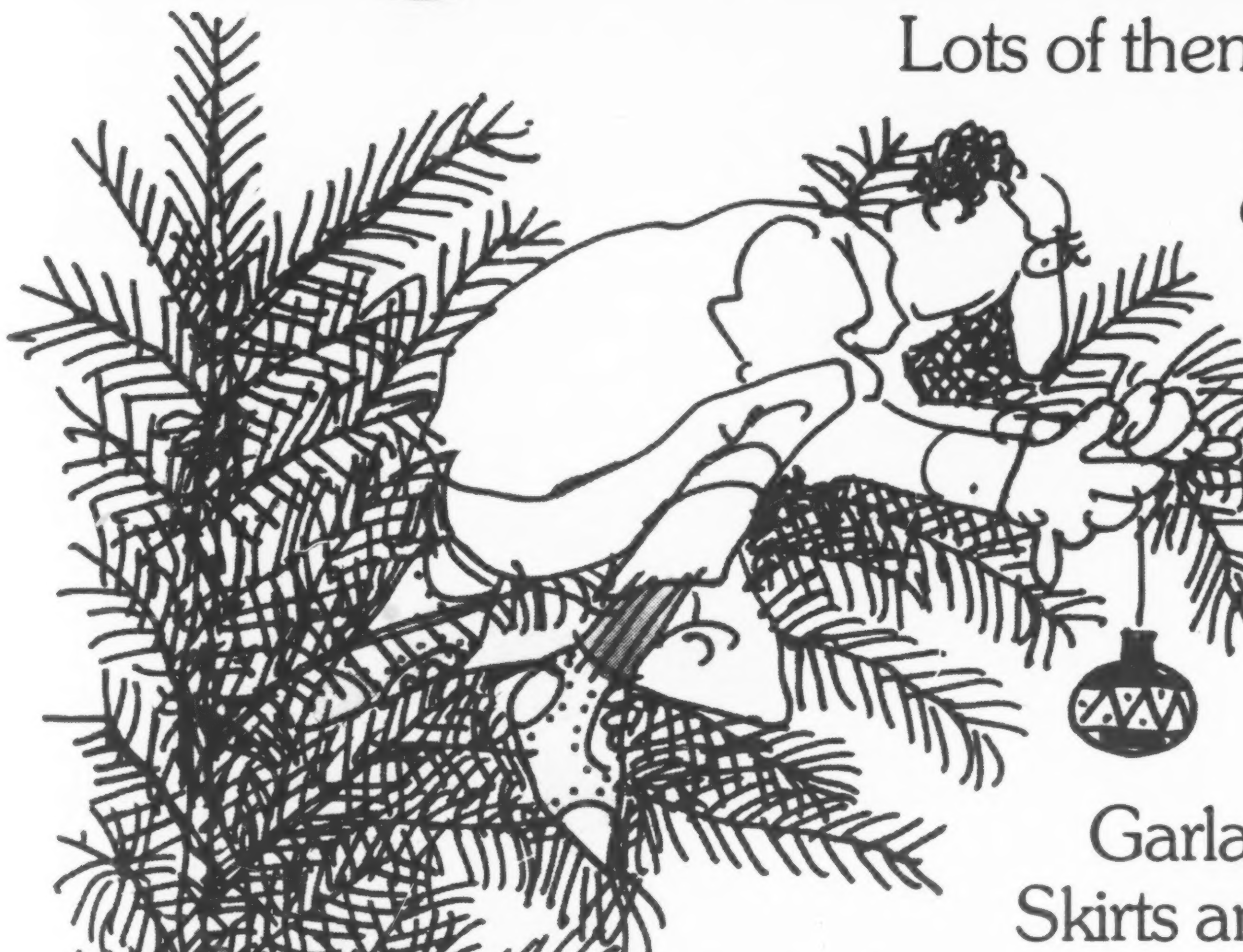
The Reason Why

Fisher said the main reason for the drop was that anticipated store-for-store income gains failed to materialize.

Total sales were $55,286,000, up from the $44,586,000 reported in the first quarter of 1979.

Net earnings per share dropped to 7¢ this quarter from the 18¢ reported last year.

Every Christmas we go out on a limb.



Lots of them, in fact. But that shouldn't come as any surprise. Especially when you consider how complete a line of Christmas decorations Union Wadding has to offer. We make Tinsel Garlands, Icicles, Tree Skirts and Tree Ornaments. Including the ever-popular, full set of Walt Disney character ornaments.

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For a free, color catalog and price list, write Union Wadding, Tree-Trim Department, Pawtucket, RI 02862.

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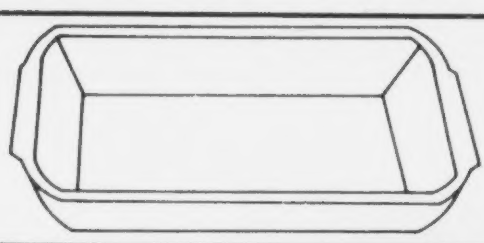

HOUSEWARES SHOW SECTION

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Bakeware Hot; 4 Toilet Seats In Strong Bow

By Harold Rubin
President,
HalMar Distributors

The economic downturn, so far, hasn't caused any major disruptions in traditional sales patterns for basic housewares. Such items as open-stock bakeware, plastic storage containers and Corning Ware geared for small-portion cooking were among the top sellers in the Product Movement Audit for Jan. 1 through May 29.

A handful of items debuted on the audit as shoppers continued to seek out new products to liven up their home environment, especially since they expect to spend more time at home during the recession.

Among these new products were four Magnolia toilet seats in the bath-shop category. A molded toilet seat in white was No. 2, while padded toilet seats in white, brown and blue showed up as Nos. 9, 14 and 17.

These four toilet seats denote continued consumer interest in fashion for the bathroom. Other items that reflected this trend included a Donner 18-in. towel rack in brass, No. 18, and a Donner paper holder in brass, No. 20.

A Major Factor

Fashion is vital in another category—Rubbermaid—and here the story was chocolate and gold—the dominant colors—which showed up on six items each. They far outdistanced the next hue, almond, which was on three products.

The impact that the two shades have made can be seen by the variety of items which carried these colors. Homemakers, it seems are phasing in chocolate and gold Rubbermaid items in the kitchen and laundry room, both as new housewares accessories and as replacement goods for the avocado and flame that were the key colors a few years ago.

Corning has traditionally used fashion as a marketing tool, introducing new patterns and designs to liven up sales of its cookware and dinnerware.

In the latter area, the success of Batik and the viability of Blue Heather as Expressions designs are key interests of discounters and other retailers. During the second half of 1980, the manufacturer is set to introduce another Expressions pattern—Strawberry Sunday—to

(Continued on page 88)

HOUSEWARES

Figures for Jan. 1-May 30 supplied by HalMar Distributors, Holyoke, Mass., cover 500 stores, including 400 full-line discount department stores from New England to the Carolinas. Average retail prices listed by the distributor reflect typical price points for discount clients.

TABLETOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Corelle 20-pc set, gold	9,372	38.69	362,602.68
2	Corelle 20-pc set, green	8,612	38.69	333,198.28
3	Corelle 20-pc set, Woodland	7,903	38.69	305,767.07
4	Expressions 20-pc set, Indian Summer	3,247	70.19	227,906.93
5	Expressions 20-pc set, Meadow	3,126	70.19	219,413.94
6	Corelle 20-pc set, blue	4,125	38.69	159,596.25
7	Expressions 20-pc set, Wildflower	1,953	70.19	137,081.07
8	Expressions 20-pc set, Batik	1,334	70.19	93,633.46
9	Corelle 20-pc set, white	2,535	36.89	93,516.15
10	Expressions 20-pc set, Blue Heather	1,108	70.19	77,705.20
11	Corelle 5-pc completer set, gold	1,367	21.05	28,775.35
12	Corelle 5-pc completer set, green	1,131	21.05	23,807.55
13	Corelle small platter, green	2,886	7.82	22,568.52
14	Corelle 5-pc complete set, blue	1,039	21.05	21,870.95
15	Corelle 5-pc complete set, Woodland	1,004	21.05	21,134.20
16	Corelle small platter, gold	2,619	7.82	20,480.58
17	Corelle small bowl, gold	2,028	7.82	15,858.96
18	Corelle small bowl, green	1,994	7.82	15,593.08
19	Expressions small platter, Indian Summer	825	17.00	14,025.00
20	Corelle 1-qt bowl, green	1,695	6.92	11,729.40

GLASSWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Anchor Hocking 24-pc set, Newport Gold	1,746	12.15	21,213.90
2	Libbey 12½-oz bev Wheat Spray 8-pc	1,956	8.99	17,611.41
3	Anchor Hocking 7-pc table service set, prescut	1,839	8.45	15,539.55
4	Libbey 12-oz bev Oriental, 8-pc	2,166	7.10	15,378.60
5	Anchor Hocking 11-pc table service set, prescut	1,316	10.61	13,962.76
6	Libbey 12-oz bev, Gold Savoy, 8-pk	2,062	6.74	13,897.88
7	Libbey 8½-oz wine, Mr Pro	2,592	4.76	12,337.92
8	Libbey 6½-oz round wine, Mr Pro	2,531	4.76	12,047.56
9	Anchor Hocking 24-pc set, Newport Crystal	991	12.15	12,040.65
10	Libbey 12-oz bev, Blue Bolero	23,402	0.49	11,466.98
11	Libbey 16-oz cooler, Tawney Accent, 4-pk	3,462	3.31	11,459.22
12	Anchor Hocking 4" ashtray, gold	15,172	0.71	10,772.12
13	Libbey 8-oz wine, Citation, 4-pc	8,460	1.25	10,575.00
14	Libbey 12-pz bev, Gold Country Garden	15,781	0.67	10,573.27
15	Libbey 16-oz ice tea glass	19,944	0.53	10,570.32
16	Libbey 12-oz bev, Gold Bolero	20,478	0.49	10,034.22
17	Libbey 12-oz bev, Blue Bounty, 4-pk	3,084	3.23	9,961.32
18	Libbey 12-oz bev, Wheat	16,640	0.58	9,651.28
19	Libbey 12-oz bev, Tawny Accent, 4-pc	3,208	2.96	9,495.68
20	Libbey 10-oz goblet, Citation, 4-pc	7,535	1.25	9,418.75

COOKWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Ekco 17¼" Baker's Secret cookie sheet	6,954	3.05	21,209.70
2	Ekco 13" Baker's Secret oblong cake pan	6,217	2.78	17,283.26
3	Ekco 15¼" Baker's Secret cookie sheet	5,947	2.78	16,532.66
4	Ekco 14½" Baker's Secret roast pan	4,148	3.59	14,891.32
5	Ekco 12-cup Baker's Secret muffin pan	4,190	3.32	13,910.80
6	Ekco 9¼" Baker's Secret loaf pan	4,956	2.42	11,993.52

(Continued on page 88)

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HOUSEWARES SHOW SECTION

HOUSEWARES

(Continued from page 87)

COOKWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
7	Ekco 17¼" cookie sheet	5,510	2.06	11,968.60
8	Ekco 13¼" Baker's Secret cookie sheet	5,103	2.15	10,971.45
9	Wear-Ever 10" fry pan, Premium, SilverStone	898	11.24	10,093.52
10	Mirro 7-cup percolator	1,268	6.65	8,432.20
11	Ekco 13" roasting pan	4,609	1.79	8,250.11
12	Ekco 15¼" cookie sheet	4,380	1.88	8,234.40
13	Wear-Ever 12" fry pan, Premium, SilverStone	551	14.39	7,928.89
14	T-Fal 8" fry pan	477	16.19	7,722.63
15	Mirro 2½-qt tea kettle	1,244	6.20	7,712.80
16	Ekco 8½" Baker's Secret loaf pan	3,912	1.97	7,706.64
17	Ekco Baker's Secret pizza pan	2,753	2.78	7,653.34
18	T-Fal 10" fry pan	530	14.39	7,626.70
19	Wear-Ever 9-pc set, Premium, SilverStone	99	71.99	7,127.01
20	Ekco 10¾" Baker's Secret biscuit pan	3,251	2.15	6,989.65

GADGETS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Swing-a-Way portable hand can opener	5,517	3.59	19,806.03
2	Rhodes timer, white	2,425	6.29	15,253.25
3	Ekco can opener w/bottle opener	16,152	0.82	13,244.64
4	Ekco 2⅛" barrel rolling pin	3,248	3.32	10,783.36
5	Ekco 3-way can opener	8,360	1.25	10,450.00
6	Rhodes timer, gold	1,610	6.29	10,126.90
7	Ekco can opener, plastic handle	4,859	1.88	9,134.92
8	Ekco peeler	14,174	0.62	8,787.88
9	Taylor hang/stand oven thermometer	3,489	2.51	8,757.39
10	Helmac lint brush	3,530	2.42	8,542.60
11	Range Kleen 8" reflector pan	2,644	2.92	7,720.48
12	Swing-A-Way budget can opener	2,139	3.59	7,679.01
13	Gemco food chopper	3,380	2.24	7,571.20
14	Range Kleen 6" reflector pan	5,580	1.35	7,533.00
15	Range Kleen 6" reflector pan	3,041	2.47	7,511.27
16	Chaney meat themometer	3,774	1.97	7,434.78
17	Range Kleen 6" reflector pan	5,250	1.35	7,087.50
18	Ekco stainless steel peeler	6,054	1.16	7,022.64
19	Bonny pizza cutter	3.139	2.15	6,748.85
20	Range Kleen 8" reflector pan	3,574	1.80	6,433.20

PLASTICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Demand Mkt Sesame Street tumbler	9,645	0.98	9,452.10
2	Republic colander	3,672	2.15	7,894.80
3	Lustro-Ware 11-qt heavy duty pail, aluminum	3,024	2.42	7,318.08
4	Sterlite 4-pc tablemate set, almond	2,378	2.96	7,038.88
5	Republic 1-qt uprite Freezette	2,308	2.69	6,208.52
6	Republic 1-pt uprite Freezette	2,245	2.69	6,039.05
7	Castel Sporkit spoon/fork server	5,466	1.07	5,848.62
8	Eagle 44-oz SuperSeal	3,646	1.52	5,541.92
9	Alabaster 16-oz flute tumbler	8,144	0.62	5,049.28
10	Moule nylon spoon & turner set	3,291	1.52	5,002.32
11	Lustro-Ware dust pan	4,120	1.16	4,779.20
12	Fesco 28-qt rectangle basket, almond	1,302	3.59	4,674.18
13	Eagle 80-oz SuperSeal	2,303	1.97	4,536.91
14	Lustro-Ware 70-oz round decanter	2,270	1.97	4,471.90
15	Sterlite 2-qt refrigerator bottle	2,779	1.52	4,224.08
16	Wall nylon baskter	3,302	1.25	4,127.50
17	Deka dust pan	4,574	0.89	4,070.86
18	Lustro-Ware 1-qt square decanter	1,454	2.69	3,911.26
19	Loma 32-gal lock-lid refuse container	336	11.15	3,867.36
20	Eagle Mickey Mouse bowl/tumbler set	3,311	1.16	3,840.76

(Continued on page 93)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Bakeware Hot

(Continued from page 87)

try and broaden the market for the stepped-up dinnerware line.

Batik and Blue Heather were the lowest-ranked Expressions sets in the tabletop listings, capturing the Nos. 8 and 10 places; Indian Summer was still the top Expressions design and No. 4 on the chart, followed by Meadow, No. 5, and Wildflower, No. 8.

However, the higher retail for Expressions resulted in this merchandise being outsold by Corelle, with gold No. 1, green No. 2 and the Woodland design No. 3. Blue was No. 6 and white No. 9, and each of these had a higher unit movement than Expressions in Wildflower, Batik or Blue Heather.

Further Attempt

Corning, besides adding Strawberry to the Expressions line, was set at presstime to show Dimension IV as a brand new line at the housewares show. The line is another example of the company's merchandising plan of going after consumer groups that haven't been attracted by its current offerings.

Dimension IV is positioned to attract singles, couples and young homemakers who want a more modern design. Its 4-pc. place setting features a mug, rather than the cup and saucer of Expressions and Corelle. Its design of a broad and a narrow stripe on rim-shaped plates and bowls will be offered in three colors, Cinnamon, Citrus and Almond, and its set of 16 pieces, rather than 20, puts its price under Corelle's.

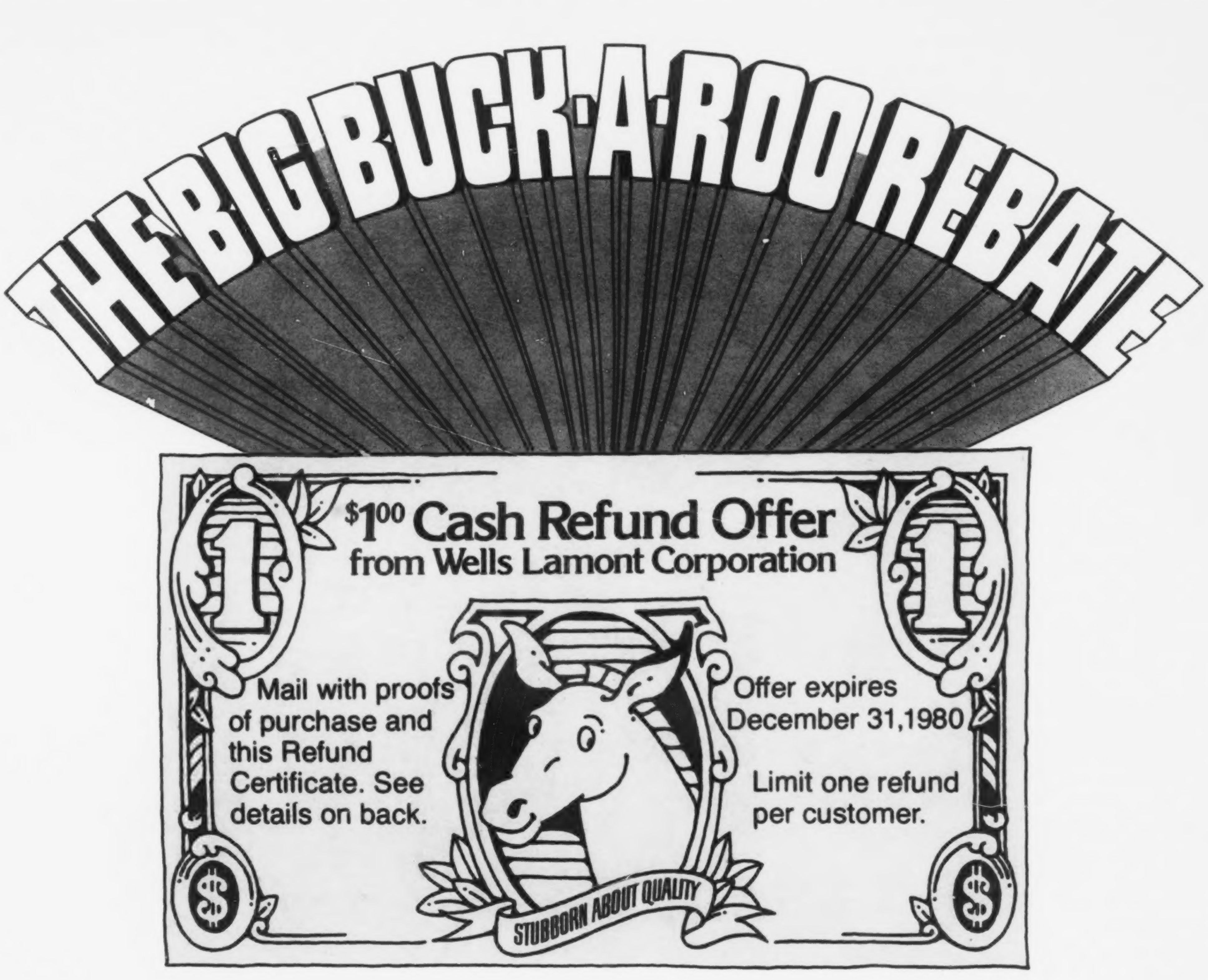
The manufacturer's concern with pricing the line as low as possible fits in with consumers' attempts to hold down their expenses by purchasing lower-cost and value-oriented housewares.

Strength Examined

Low cost was a factor in the cookware area, where Ekco's broad assortment of Baker's Secret bakeware captured nine of the 20 listings, including the top six places.

The cookware that made the report either had a SilverStone or T-Fal nonstick finish, denoting the all-inclusive impact that these coatings have made on cookware. But even in cookware price was important. Bulk cookware in the Nos. 9, 13, 14 and 18 places had greater unit and total dollar movement than the one set to make the listing, a Wear-Ever 9-pc. Premium with SilverStone offering. The latter was tagged at a $71.99 average dollar retail, which is a top dollar price in a down economy even though it's a good value compared to open-stock purchases of the same nine pieces.

(Continued on page 93)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HOUSEWARES SHOW SECTION

Discount Store News

PRODUCT MOVEMENT AUDIT

Bakeware Hot

(Continued from page 88)

Sets, to be a clear value to consumers, also have to carry prices that are attractive in the current economy. For example, in the glassware area, an Anchor Hocking 24-pc. set in Newport Gold was No. 1, while the set in Newport Crystal was No. 9. Both had an average retail of $12.15, a highly competitive tag when compared with 8-pc. beverageware sets on the audit that were priced from $6.74 to $8.99 and bulk glassware that was tagged at 49¢ to 67¢ for a single glass.

The value aspect of sets was also evident in the Corning Ware area, where 10 sets showed up, including a Menuette in Cornflower as No. 1 and a Grab-It as No. 3.

Sets have always been perceived as a good value in the Corning Ware line, and all the sets that made the report were tagged under $39, a price that couldn't be matched if a consumer wanted to buy the set pieces on an open-stock basis.

One new item made the listing, a 2½-qt. casserole in French White as No. 17. This line has turned out to be a good seller, but the lower price for each of the six items as compared with similar casseroles and pie plates in the regular Corning Ware line resulted in only one French White item making the top 20 listing.

Keeping Pace

The Spice design continued to be the dominant pattern in Corning Ware, capturing seven listings, compared to four each for Cornflower and Wildflower.

Sets were less important in Pyrex as there are fewer set offerings in the basic glass cookware. The big trend was the demand for both clear glass and Fireside amber-colored glass with basket holders. Five items with basket holders made the listing, including a 3-qt. bake dish in clear glass as No. 1.

Low price was particularly evident in the gadget and plastic classifications.

In the former, 16 of the 20 items had tags under $3.50, with two Rhodes timers in white and gold, Nos. 2 and 6, as the highest priced at average retails of $6.29. Step-up Swing-A-Way hand can openers,

(Continued on page 96)

Correction

In the June 2 *Discount Store News* we incorrectly stated that Don Israel of Gray Drug/Rink's was the first retailer to cross the finish line in the 10,000 meter run held during the NMRI convention in New Orleans. Credit should have been given to Lewis Kennedy, general merchandise manager of Walker Stores, Jackson, Miss.

HOUSEWARES

(Continued from page 88)

CLEANING & CHEMICALS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	White Labs 16-oz X-14 mildew remover	4,657	3.14	14,622.98
2	3M 16-oz Scotch Guard	2,498	4.94	12,340.12
3	Drackett 26-oz Draino	3,074	3.14	9,652.36
4	Johnson 14-oz Lemon Pledge	3,372	2.60	8,767.20
5	Carbona 24-oz vacuum rug cleaner	2,835	2.96	8,391.60
6	Glamorene 24-oz Spray 'n Vac	2,316	3.41	7,897.56
7	Texize 64-oz Fantastic refill	2,179	3.50	7,626.50
8	Scotts 14-oz Liquid Gold aerosol	2,292	3.23	7,403.16
9	Magic 13-oz Panel Magic	3,037	2.42	7,349.54
10	Johnson 27-oz Future	2,148	3.41	7,324.68
11	Drackett 10-oz Endust	2,366	2.87	6,790.42
12	Carbona 16-oz VPH Shampoozer	2,687	2.51	6,744.37
13	Hagerty 8-oz copper polish	3,540	1.80	6,372.00
14	Drackett 48-oz Vanish	2,928	2.15	6,295.20
15	Texize 32-oz Fantastic	2,699	2.33	6,288.67
16	Guardsman 14-oz aerosol polish	2,484	2.51	6,234.84
17	Johnson 14-oz Wood Pledge	2,363	2.60	6,143.80
18	Armour 27-oz One-Step	1,980	2.87	5,682.60
19	Scotts 16-oz Liquid Gold	1,848	2.96	5,470.08
20	American Cyanamid 28-oz Pine-Sol liquid	1,701	3.05	5,188.05

BATH SHOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Selfix portable shower spray	2,015	8.55	17,228.25
2	Magnolia molded toilet seat, white	1,009	9.44	9,524.96
3	Ekco 18" towel bar, chrome	4,094	1.97	8,065.18
4	Ekco toilet tissue holder, chrome	3,597	1.97	7,086.09
5	Selfix shampoo spray	3,527	1.88	6,630.76
6	Selfix twin hooks	6,095	1.07	6,521.65
7	Selfix toilet tissue holder	4,564	1.34	6,115.76
8	Ekco 12" towel bar, chrome	3,373	1.79	6,037.67
9	Magnolia padded toilet seat, white	330	16.64	5,941.20
10	Ekco 24" towel bar, chrome	2,336	2.33	5,442.88
11	Selfix hooks, 4-pk	4,173	1.25	5,216.25
12	Selfix two hooks	6,361	0.80	5,088.80
13	Ekco toilet tissue holder, chrome	2,961	1.70	5,033.70
14	Magnolia padded toilet seat, brown	301	16.64	5,008.64
15	Ekco 24" twin towel bar, chrome	1,580	3.14	4,961.20
16	Selfix 24" towel bar	2,516	1.97	4,956.52
17	Magnolia padded toilet seat, blue	287	16.64	4,775.68
18	Donner 18" towel bar, brass	512	8.72	4,464.64
19	Selfix 12" towel bar	2,685	1.61	4,322.85
20	Donner paper holder, brass	701	6.11	4,283.11

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	20-gal Refuse container	3,317	11.65	38,643.05
2	Self-closing wastebasket, chocolate	2,764	6.74	18,629.36
3	10¾"-high Rectangle laundry basket, choc	3,896	4.49	17,493.04
4	10¾"-high Rectangle laundry basket, gold	3,456	4.49	15,517.44
5	Self-closing wastebasket, gold	1,998	6.74	13,466.52
6	10¾"-high Rectangle laundry basket, almond	2,931	4.49	13,160.19
7	15¾" Drainer tray, gold	3,452	3.59	12,392.68
8	Deluxe dish drainer, chocolate	2,391	4.94	11,811.54
9	Covered wastebasket, chocolate	1,748	6.74	11,781.52
10	Deluxe dish drainer, gold	2,316	4.94	11,441.04
11	10¾"-high Rectangle laundry basket, orange	2,528	4.49	11,350.72
12	Self-closing wastebasket, almond	1,681	6.74	11,329.94
13	Twin sink dish drainer, chocolate	2,781	4.04	11,235.24
14	Twin sink dish drainer, gold	2,618	4.04	10,576.72
15	Wrap and bag organizer	2,318	4.49	10,407.82

(Continued on page 96)

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Glasscreen
Crystals
Crystals
Fyreframe
Bellows
Matches
Matches
Log Cradle

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HOUSEWARES SHOW SECTION

HOUSEWARES

(Continued from page 93)

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
16	5¼"-dp Square dishpan, gold	4,058	2.51	10,185.58
17	12"-wide Shelf liner, white	7,496	1.34	10,044.64
18	Delux dish drainer, almond	1,977	4.94	9,766.38
19	10¾"-high Rectangle laundry basket, avocado	2,151	4.49	9,657.99
20	5¼" Square dishpan, chocolate	3,763	2.51	9,445.13

CORNINGWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Menu-ette set, Cornflower	6,357	17.63	112,073.91
2	Sidekick	5,413	6.47	35,022.11
3	Grab-It set	3,057	9.17	28,032.69
4	Kitchen Starter set, Spice	730	38.03	27,761.90
5	Menu-ette set, Spice	1,182	23.21	27,434.22
6	Cass-ette	4,581	5.93	27,165.33
7	Menu-ette set, Wildflower	1,135	23.21	26,343.35
8	Kitchen Starter set, Wildflower	657	38.03	24,985.71
9	6-cup Teapot, Cornflower	1,823	12.95	23,607.85
10	6-cup Teapot, Spice	1,605	14.66	23,529.30
11	6-cup Teapot, Wildflower	1,557	14.66	22,825.62
12	Kitchen Starter set, Cornflower	639	33.47	21,387.33
13	Large open roaster, Spice	1,083	18.35	19,873.05
14	Microwave set	499	38.03	18,976.97
15	3-qt Casserole, Spice	1,064	-17.63	18,758.32

PYREX

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3-qt Bake dish w/basket	5,181	13.04	67,560.24
2	30-qt Oblong bake dish	13,815	4.67	64,516.05
3	Bake 'N Serve set, Fireside	5,470	11.15	60,990.50
4	2-qt Casserole w/basket	4,032	13.04	52,577.28
5	2-qt Bake dish w/basket, Fireside	4,780	8.36	39,960.80
6	1-cup Liquid measure	19,496	1.79	34,897.84
7	1-pt Liquid measure	14,840	2.33	34,577.20
8	4-pc Mix bowl set, w/handle, green	2,734	12.59	34,421.06
9	1½-qt Casserole w/basket, Fireside	4,597	7.46	34,293.62
10	2-qt Oblong bake dish	7,950	4.22	33,549.00
11	6-oz Custard cup, 4-pk	8,796	2.87	25,244.52
12	8" Square cake dish	7,011	3.59	25,169.49
13	1½-qt Casserole	5,832	4.22	24,611.04
14	9" Pie plate	12,078	2.02	24,397.56
15	2-liter Juice jar	6,474	3.59	23,241.66

Source: HalMar Distributors

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Bakeware Hot

(Continued from page 93)

Nos. 1 and 12, carried $3.59 average retails.

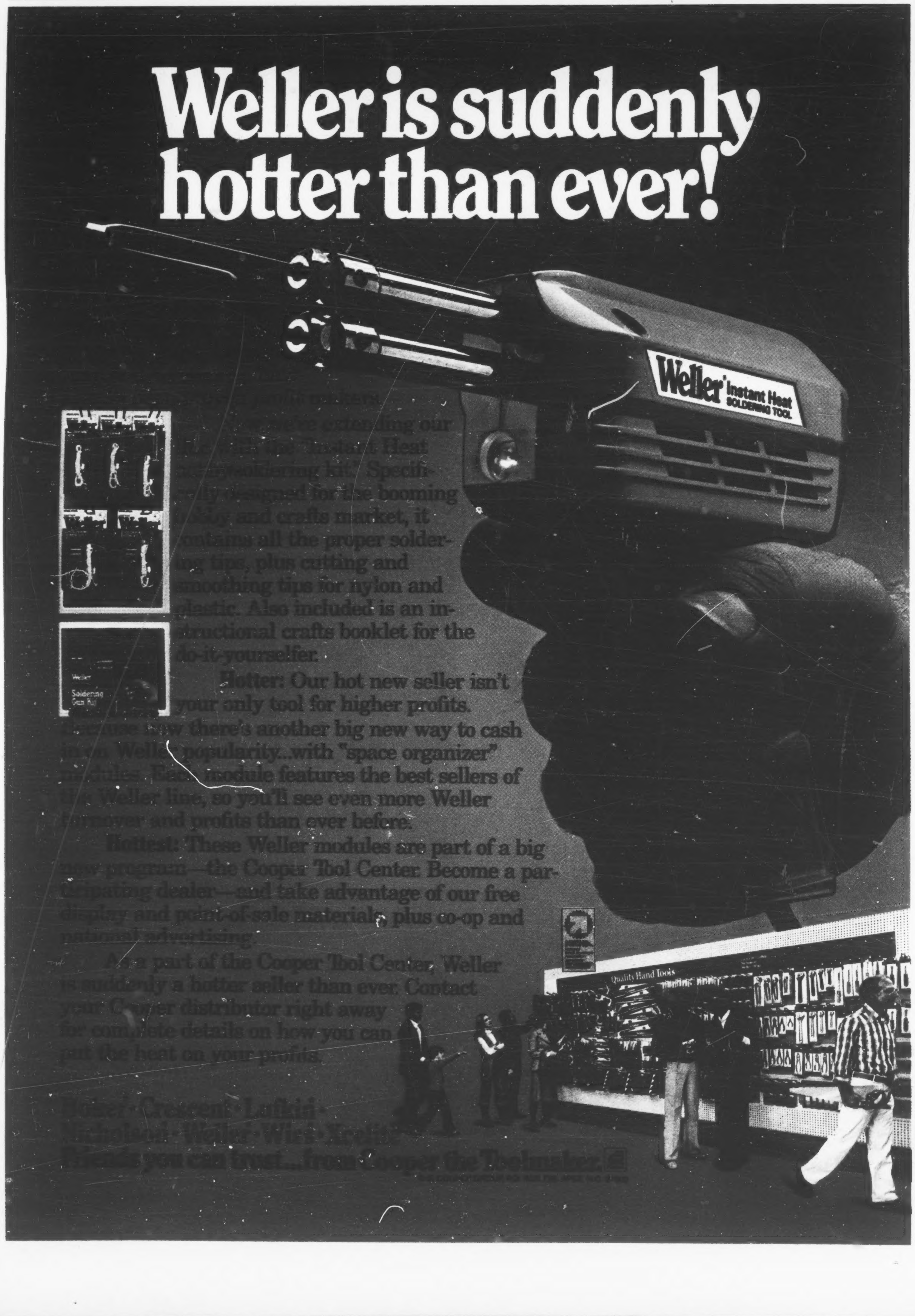
What shouldn't be overlooked is that while the gadgets were low priced, the trade-up of past years has become firmly established and seven of the items had average retails between $2.15 and $3.32 besides the four priced over $3.50.

While price is important, the better quality items at the step-up tag continue to sell.

A similar situation has occurred in plastics. Only three items had average retail pricees under $1, and one item, a Loma 32-gal., lock-lid refuse container, No. 19, had an $11.15 average tag.

Large size was the story in cleaning and chemicals as only three items had a capacity under 14 oz. and nine were 24 oz. and more.

Consumers were responding to the large sizes that offered more cleaning or polishing chemicals because they were the better buy—the better value.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Housewares PMA: Pp. 11-13

Discount Store News®

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Hoped-For UPC, OCR-A Compatibility Due Next Year

Nationwide DSN Report

The hoped-for compatibility of UPC and OCR-A will become a reality early next year, DSN has learned.

Specifications that will, for the first time, enable manufacturers to use both UPC and OCR-A as the marking systems for general merchandise are to be issued by the retailer/manufacturer/equipment-maker group that developed OCR-A as a voluntary identification standard.

OCR-A uses human and machine-readable numbers while UPC uses a 10-digit number and a series of bars, the latter readable only by machine.

The proposed OCR-A guidelines for manufacturers to use to provide compatibility with UPC detail the size and optical characteristics of the OCR-A type font to be printed along with UPC's bar code and 10-digit number (which is in OCR-B type).

The OCR-A will be printed either above or below the UPC and repeat the 10-digit number, but in OCR-A type.

Other developments in the merchandise marking field.

- Wal-Mart this fall will test the use of UPC-marked merchandise in one store by installing slot scanner checkouts to read items UPC-marked by the discounter. The test will be expanded to another store in 1981.
- A DSN survey of the top 100 discount store chains found that among the discounters responding, 55.5% favored the adoption of OCR-A, 29.6% preferred UPC and 14.8% were undecided.
- The National Mass Retailing Institute has formed an executive committee that will meet in the fall to decide what, if anything, discounters as a group should do about merchandise marking.

Development of OCR-A was spearheaded by the National Retail Merchants Association in conjunction with some general merchandise manufacturers and equipment producers.

The voluntary group also developed the technical standards that provides compatibility of OCR-A and UPC.

UPC's development was spurred by supermarkets and food producers. The UPC Council, however, didn't support development of compatibility of the two systems.

The UPC 10-digit number is the equivalent of an sku, but doesn't include price or such specific information as size or color that discounters and other general merchandise retailers often incorporate in their merchandise identification.

An NRMA spokesman said that tests conducted by some conventional department

(Continued on page 26)

Unveiling 5 Ex-J.M. Fields

Jefferson Poised For Philly-Area Invasion

By Arthur Markowitz

PHILADELPHIA—Jefferson's long-heralded thrust into the Greater Philadelphia market was set to take place at presstime with five ex-J. M. Fields stores due to be unveiled as Jefferson/Ward units.

Jefferson's planned opening of 17 stores in the Greater Philadelphia market, along with two stores already operating in Wilmington, Del., and one in Bethlehem, Pa., could produce $200 million in sales for the discounter.

The move into the Greater Philadelphia-Wilmington, Del., market denotes the efforts of Montgomery Ward, Jefferson's parent, to establish a strong base on the East Coast, particularly in the highly-populated Northeast where it has few stores and where it is overshadowed by its two prime mass merchandising rivals, Sears and J. C. Penney.

Jefferson's president David H. Kenny, who is also a Ward senior vice president and director, acknowledged that Jefferson/Ward "is a different way for Ward to compete with Sears and Penney."

Jefferson Ward

Jefferson's remodeling of ex-Almart in Wilmington, Del., includes using the new Jefferson/Ward logo and refurbishing the entrance. Average cost of 20-store remake in Philadelphia-Wilmington area is projected at $3.5 million. (DSN photo)

Edward S. Donnell, Ward's chairman and chief executive officer, called Jefferson/Ward a very important growth element in Ward's plans.

He said: "I can see it spreading, particularly on the East Coast from Maine down to Florida. We will decide later how far west it goes."

Ward converted eight of 16 stores in Florida to Jefferson last year, and Donnell said: "I think it's possible for more Wards to be converted to Jefferson/Ward."

(The Jefferson logo is used alone in Florida where the chain started and has its base, while the Jefferson/Ward name is used in all other markets.)

Donnell projected $200 million in sales for Jefferson in the Greater Philadelphia-Wilming-

(Continued on page 21)

K mart Is Seen Boosting Magazine Ad $$ by 40%

TROY, Mich.—K mart is stepping up its national consumer magazine advertising in an effort to attract a more affluent, better educated and bigger-spending customer, and to improve its product credibility among its target groups.

On at least some of the ads, K mart is sharing the cost with manufacturers.

Sources estimate K mart's gross magazine expenditures will climb to around $7 million this year; dollars already budgeted for Reader's Digest and TV Guide alone top $4 million. To date the chain has run 22 pages in Reader's Digest and 50 in TV Guide. A large part of the chain's fourth-quarter program is still in the planning stages, DSN learned.

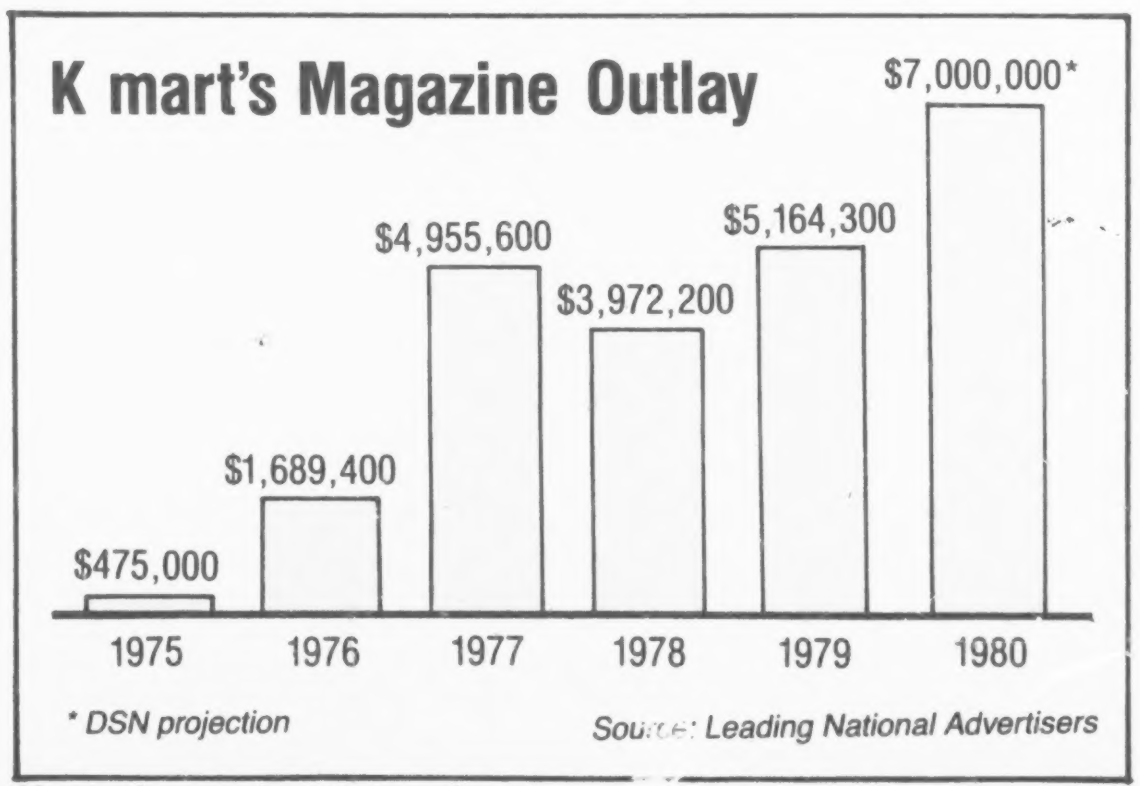
In the fiscal year ended Jan. 30, 1980, K mart increased its magazine advertising gross investment by 30% to $5,164,300—2% of its total advertising budget of $301 million.

Today the retailing giant ranks third—behind Sears and Penney—among general merchandise chains with national magazine ad campaigns.

The K mart ads—largely supported by co-op dollars—have appeared in Cosmopolitan, Field and Stream, Modern Photography, Popular Mechanics, as well as Reader's Digest and TV Guide—to name just a few.

"They felt they were missing a large segment of their customer base," said a sales representative at Reader's Digest. "They were getting the rank and file with spot newspaper and radio advertising. Readers of magazines generally have higher incomes, are upwardly mobile, and own more of this world's goods."

(Continued on page 4)



K mart's accelerated national consumer magazine advertising complements other efforts the retail giant has made to attract a more affluent, big-spending customer.

Target Agrees To Buy Ayr-Way

MINNEAPOLIS—Target and Ayr-Way have entered into an agreement in principle for the 86-store Dayton Hudson subsidiary to acquire the 41-store Ayr-Way chain for an undisclosed cash purchase price.

The agreement is seen as a move by Target to solidify its position against two of its strongest regional competitors, Wal-Mart and Gold Circle. Ayr-Way stores in Indiana (32) and Louisville (which will be Target's easternmost units if the deal is completed) will tie into Target's announced entry, and distribution center, in Arkansas and Memphis.

Ayr-Way's 1979 revenues were $289 million.

Korvettes Sells 5th Ave. Lease; More Stores Are Getting the Ax

NEW YORK—Korvettes closed its Northeast Philadelphia store this month, and at presstime sold the lease on its Fifth Avenue, New York, store to a real estate company for $18 million in cash.

The discounter plans to close its stores in the Detroit and Greater Washington, D.C., markets, but no closing dates were set at presstime, sources in both areas confirmed to DSN.

Korvettes' departure from the Detroit and Washington markets is part of the chain's plans to cut back to a base of about 18 stores in the Greater New York area.

This retrenchment plan, previously reported by DSN, would result in the closing of 18 stores, including about a half-dozen units currently operating in New York and New Jersey.

The closings reportedly could generate more than $30 million for Korvettes, including $18 million for the leasehold of the Fifth Avenue store.

The Fifth Avenue store is to be closed sometime this year so that the real estate purchaser, Sterling Equities, can tear it down and begin building next year a structure for the exclusive use of diamond dealers.

A 400,000-sq.-ft. building of about 30 stories is planned which would house the headquarters and club room of the Diamond Dealers Club and office-condominiums for diamond dealers.

Sterling Equities had purchased a long-term lease on the building that would begin when Korvettes' lease expires. The

(Continued on page 25)

Discounters Invest Big Bucks In Energy-Saving Mechanisms

Nationwide DSN Report

Discounters across the country are insulating roofs, caulking doors and installing a variety of sophisticated electronic devices with the aim of stabilizing skyrocketing utility bills this winter.

For many the cost has been great. Computers that regulate electrical consumption and automatically control lighting, heating and air-conditioning cost more than $13,000 per store to install.

Even less sophisticated computers that only regulate a store's electrical demand rate by cycling off heavy appliances during periods of peak usage cost from $8,000 to $10,000.

Discounters who have renovated and installed as little as two inches of insulation in the roof of an 80,000-sq.-ft. store have found the single-store bill to be as high as $110,000.

Nevertheless, chains such as Rink's, Pamida, T.G. & Y., Ayr-Way and others are finding that many of the improvements will pay for themselves in as little as 18 months because of the money they will trim from energy bills.

Officials of T.G. & Y. said that the manufacturers of two mini-computers offered to guarantee savings. They offered to accept half of the monthly savings on the electric bill as payment toward the unit's $10,000 cost.

Six of the devices have been installed and 10 more are on order.

Through these and other conservation steps, such as putting low-wattage light bulbs in all stores and using heat pumps instead of electric heat in new construction, officials at the chain estimate they have shaved a total of $28 million from their electric bills since 1975.

Some chains said they were moving ahead cautiously with the installation of the computerized energy-saving devices.

William Novicki, Mr. Wiggs' facilities manager, said the chain installed the costly devices in two of its stores two years ago but held off on further installations because it was disappointed by the initial poor performance.

(Continued on page 26)

Hills, Glosser Bros. and Wal-Mart Run Ad Drive to Spark Coal Revival

As most discounters try to cut their use of expensive imported oil and natural gas, three discount chains have begun campaigns advocating the replacement of foreign fuels with something that can be stamped "Made in the U.S.A.": coal.

Hills, Glosser Brothers and Wal-Mart began their programs in the spring and summer, hitting consumers with a barrage of newspaper advertisements intended to gather grass-roots support for the nation's coal industry. Individual methods went even further than the newspaper campaign, including the airing of numerous television and radio spots, passing of petitions and mailing of almost one million letters to Congressmen and Senators urging a unified coal policy.

"We're in coal country and we see what the depression of that [coal] industry is doing to our economy," explained Hills vice president Stephen A. Goldberger. "Too many of the people in our area are unemployed and it's hurting all of us."

Hills began its campaign in June, placing ads in 81 papers that reached an estimated 3.5 million persons. In addition, 30-second television spots and 60-second radio announcements were aired repeatedly during the month.

(Continued on page 26)

16-20 Openings a Year Are Set

Howard's 100th Store Is Due in Sept.

MONROE, La.—Howard Bros. Discount Stores is heralding its 100th unit, slated to open the first week of September.

The 48,500-square-footer (40,000 sq. ft. of selling space), will be in Slidell, La., and conform to one of the chain's three prototypes and its "BRANDiscount" marketing strategy.

The strategy was devised two years ago (with the help of outside consultants) to unify all aspects of the chain's visual presentation, including signage, store packaging and layouts to focus customer attention on primary competitive areas.

Other prototypes have 30,000 sq. ft. or 50,000 sq. ft. of selling space. Store size changes with the population, retail sales, labor market and competition

The chain's traditional strengths have been in its selection of nationally branded lines of merchandise, especially in hard lines. Two years ago, the chain added fashion apparel to its basic apparel selection, shifting its hard lines to soft lines (including domestics) ratio to 65%/35%.

Parent Gamble-Skogmo, in its 1979 annual report, noted Howard's sales and profits suffered as a result of revamping of its merchandise distribution system. Howard officials declined to comment on the system at this time. DSN estimates chain sales at $260 million and profits at $6 million last year.

The chain plans to continue its aggressive expansion program--16 units were added in 1979—at a rate of 16 to 20 stores per year for the next several years, according to James Howard, assistant to the ceo.

Since the retirement of Alton H. Howard, 54, in January, because of health problems, the chain has operated without a president. William L. Howard, 58, has remained chairman and ceo, while James Howard, 35, was elevated from secretary-treasurer to assistant to the ceo.

This book section in a Houston T.G. & Y., between consumer electronics and garden sections, has been popular. Other discounters warn, though, that trouble may lie ahead. (DSN photo)

Romance Novels Hot But Cost Hikes Hurt Book Biz

Nationwide DSN Report

Increased selections of romance novels, and strategic location of those and other paperback books to encourage impulse buying may become trends of the future as increasing numbers of discount chains fight to maintain sales in view of increasing public resistance to publishers' prices.

Already, many chains report they are increasing their stocks of romance novels as well as a popular western series because the lower-priced publications appear to be immune to the resistance and are registering sales increases of up to 13%.

Several chains—including FedMart—are also placing paperbacks at endcaps and checkouts as a means of perking up drooping sales.

For many chains—such as K mart and West Virginia-based Heck's—the resistance has not yet materialized and buyers report increased unit sales as well as profits.

K mart, for example, said it will have "book corners" in more than 300 stores this year and that the number of stores adding them will continue to grow.

But for chains such as Jefferson, Gold Circle, Woolco and others, it appears the paperback boom reported as recently as last summer may be headed for trouble.

Books that retailed for $1.95 just two years ago are now $3 and many chains report that customers are either being di-

(Continued on page 24)

In This Issue . . .

FAST TRACK. A trucking deregulation bill supported by several big discounters and other retailers was signed by President Carter. The law's aim is to open the trucking industry to more competition, but some chains are concerned about its possible long-range effects. (P. 6)

LEAN AND CLEAN. Discounters are tightening up on their housewares inventories in response to the recession. Basics are getting the big play, as is evident on the latest PMA. (P. 11)

MARK THIS. The Discounter Management Development Series focuses on merchandising marking in the installment penned by Touche Ross' Randy L. Allen. (P. 8)

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Fishing Gear Patrons Bite at Promos; Need Stronger Bait in '81?

Nationwide DSN Report

Discounters reported good fishing equipment sales this year, but many were left uncertain about next year's prospects.

The deepening recession and possible cutbacks in advertising budgets have many of them approaching next season with caution.

"The fishing category is one of the few that has sustained and even increased sales a little for us," said Terry McBurney, head sporting goods buyer at Michigan-based Meijer's Thrifty Acres. "Fishing is an inexpensive sport. Even when money is tight the sportsman can still enjoy a relatively inexpensive fishing weekend."

Tight money, buyers said, contributed to a slight decline in sales of rod-and-reel separates, a purchase fishermen apparently were postponing this year in lieu of less expensive combination sets or investments in fishing accessories.

"It's like fixing a car instead of buying a new one," said Gene Arnold, buyer at Wisconsin-based Prange-Way. "Customers weren't investing the money in new rods and reels this year, but they were buying accessories to make their existing equipment function like new."

Combination sets appealed to the new, occasional fisherman on the lookout for a minimum expenditure in fishing gear, buyers noted. Arnold cited a 30% sales increase in combos this season.

Discounters who gave more exposure to lower- to medium-priced rod-and-reel separates also benefited from a trend toward trading down.

"Sales slacked off in high-ticket electronic items such as trolling motors and sonar fish locators priced over $100," said Meijer's McBurney.

(Continued on page 4)

Many fishermen bought accessories for existing gear rather than spend extra dough for new rods and reels this year. Scene is FedMart, Houston. (DSN photo)

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Vol. 19, No. 15 July 28, 1980

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Lower-Priced Offerings Added In Housewares

By Howard Bobroff
President,
Myron Nickman Distributors

Manufacturers of nonelectric housewares at the Chicago housewares shows responded to the sliding economy with special lower-priced offerings in the second half of the year as they strove to maintain sales in the face of weakening demand at both the retail and consumer levels.

The slowdown in movement of staple housewares wasn't evident in the Product Movement Audit report for Jan. 1 through May 29. The slide became evident starting in the latter part of May, too late to offset the strong sales during the preceding part of the year.

Retailers in the past two months made clear their intention to maintain clean, tight inventories as they geared up for the second half of the year. The battle cry, of course, was stay in stock in basic housewares and stay on top of seasonal sales trends.

The latter interest could be seen in the movement of canning goods, for example, with a Columbian 22-qt., seven-jar canner as No. 7 in the cookware area. A host of gadgets used in canning made this chart, including a Foley measuring cup set, Foley 2-qt. food mill, Gemco food chopper and Foley 3-cup sifter, as Nos. 10, 13, 14 and 16.

The impact of the economy on manufacturers was evident in a number of different ways, but the total thrust was to make producers more responsive to the call for lower-priced housewares. The downturn resulted in Rubbermaid, for example, closing its factory for a few days during the first half of the year, a move that probably reflected more aggressive promotions from plastic manufacturers as well as slower growth this year than in past years due to the

(Continued on page 12)

HOUSEWARES

Figures for Jan. 1-May 29 supplied by Myron Nickman, a division of Cook United, Maple Heights, Ohio, cover 900 stores, including 125 discount department stores in the Midwest. Average retail pricees listed by the distributor reflect typical price points for discount clients.

TABLETOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Expressions 20-pc set, Wildflower	2,814	54.66	153,813.24
2	Expressions 20-pc set, Indian Summer	2,259	53.59	121,059.81
3	Expressions 20-pc set, Meadow	2,027	54.70	110,876.69
4	Corelle 20-pc set, gold	3,282	30.55	100,265.10
5	Corelle 20-pc set, green	2,785	35.57	99,062.45
6	Corelle 20-pc set, Woodland	2,721	30.55	83,126.55
7	Corelle 20-pc set, white	2,509	28.76	72,158.84
8	Corelle 20-pc set, blue	2,372	30.16	71,539.52
9	Expressions 20-pc set, Batik	898	54.91	49,309.18
10	Expressions 20-pc set, Blue Heather	440	53.94	23,733.60
11	Corelle completer set, Woodland	889	16.44	14,615.16
12	Corelle completer set, gold	764	16.44	12,560.16
13	Corelle completer set, white	660	16.02	10,573.20
14	Corelle completer set, blue	616	16.59	10,219.44
15	Corelle completer set, green	562	14.01	7,873.62
16	Oneida 50-pc set, Daydream	200	21.22	4,244.00
17	Expressions small plate, Meadow	279	13.82	3,855.78
18	Corelle small bowl, white	666	5.54	3,689.64
19	Corelle small bowl, gold	561	6.47	3,629.67
20	Corelle small bowl, green	519	6.50	3,373.50

GLASSWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Anchor Hocking 24-pc set, Newport Gold	1,704	7.25	12,354.00
2	Anchor Hocking 24-pc set, Newport Crystal	1,077	7.56	8,142.12
3	Libbey 6½-oz tall wine, Citation, 4-pk	1,386	3.88	5,377.68
4	Libbey 10-oz goblet, Citation, 4-pk	1,218	3.89	4,738.02
5	Libbey 6½-oz round wine, Citation, 4-pk	1,170	3.86	4,516.20
6	Libbey 12-oz bev, Harvest Time	756	4.94	3,734.64
7	Libbey 12-oz bev, Valleybrook, 8-pk	684	5.25	3,591.00
8	Libbey 2-gal crystal milk bottle	300	11.90	3,570.00
9	Anchor Hocking 5½-oz stem wine, Wexford, 4-pk	624	5.59	3,488.16
10	Libbey 1-oz cordial, Citation, 4-pk	906	3.85	3,488.10
11	Libbey 6½-oz sherbet, Citation, 4-pk	900	3.86	3,474.00
12	Libbey 17-oz iced tea, Tawny Swirl	11,664	0.29	3,382.56
13	Anchor Hocking candy dish w/cover, Wexford	1,098	3.07	3,370.86
14	Anchor Hocking 9½-oz goblet, Wexford, 4-pk	606	5.53	3,351.18
15	Libbey 6¼" Crystal egg jar	3,240	1.02	3,304.80
16	Libbey 16-oz cooler, Gold Aster, 4-pk	1,242	2.66	3,303.72
17	Libbey 12-oz bev, Meadow, 8-pk	624	5.28	3,294.72
18	Anchor Hocking salt & pepper set, Wexford	1,008	3.23	3,255.84
19	Libbey 25-oz cooler, Tawny Swirl	7,128	0.45	3,207.60
20	Libbey 12-oz bev, Grasses, 8-pc	642	4.94	3,171.48

COOKWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Chilton 11" saute pan, SilverStone, almond	4,188	7.98	33,420.24
2	Chilton 7⅞" saute pan, SilverStone, almond	3,552	5.77	20,495.04
3	Chilton 1-qt sauce pan, SilverStone, aluminum	2,636	7.49	19,743.64
4	Wear-Ever 10" saute pan, Premium, SilverStone	2,116	9.21	19,488.36
5	Chlton 11" griddle, SilverStone, aluminum	2,304	7.71	17,763.84
6	Chilton 7½" fry pan, SilverStone, aluminum	2,732	5.61	15,326.52
7	Columbian 22-qt. 7-jar canner	1,254	9.45	11,850.30
8	Wear-Ever 12" saute pan, Premium, SilverStone	892	11.93	10,641.56
9	Wear-Ever squre griddle, Premium, SilverStone	1,048	10.09	10,574.32
10	Wear-Ever 8" saute pan, Premium, SilverStone	1,312	7.73	10,141.76
11	Wear-Ever 10" fry pan, Premium, SilverStone	836	11.90	9,948.40
12	Ekco 1"-deep Baker's Secret cookie sheet	4,092	2.35	9,616.20
13	Chilton 9¼" saute pan, SilverStone, almond	1,164	7.90	9,195.60
14	Anchor Hocking microwave bacon rack	1,884	4.62	8,704.08
15	Columbian 12-qt soup pot, white/black	1,248	6.73	8,399.04
16	Columbian 8-qt pot, white/black	1,440	5.82	8,380.80
17	Ekco oblong cake pan, Baker's Secret	3,900	2.11	8,229.00
18	Ekco ¾"-deep Baker's Secret cookie sheet	3,360	2.10	7,056.00
19	Wagner 11¾" cast iron skillet	828	7.88	6,524.64
20	Granitware 18-lb. roaster	804	7.92	6,367.68

GADGETS

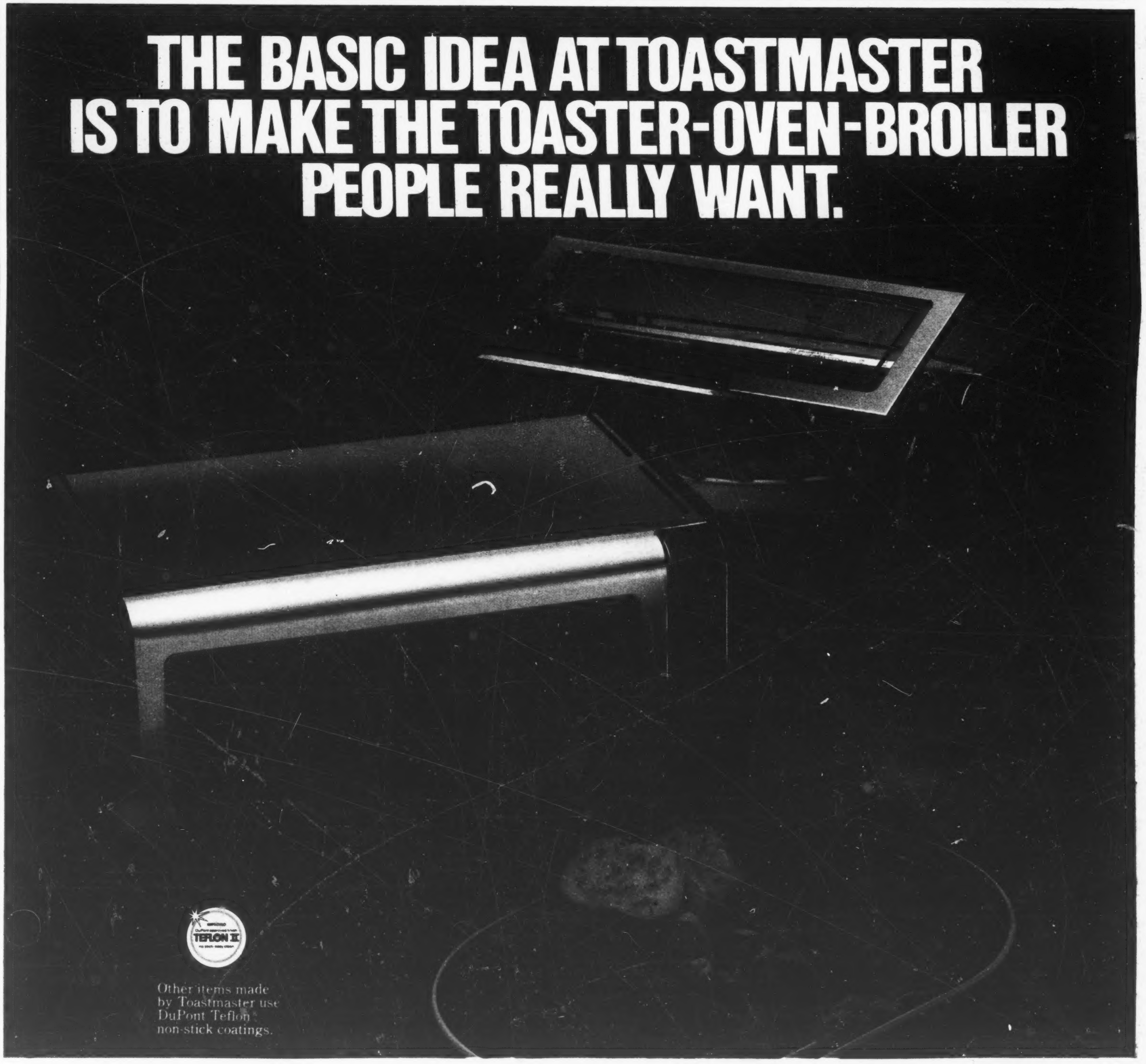
$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Swing-A-Way hand can opener, chrome	3,288	2.76	9,074.88
2	Rhodes timer, mini-minder	1,776	4.72	8,382.72

(Continued on page 12)

Israel Bond Organization Honors Kimball, Metzger

NEW YORK—Robert W. Kimball and Erich Metzger, executives of Unishops Inc. and S. E. Nichols Inc., respectively, were awarded the David Ben-Gurion Award from the Israel Bond Organization.

Kimball, president of men's and boys' wear divisions at Unishops, and Metzger, Nichols' executive vice president and board member, were honored for leadership in the organization and for their contributions of investment capital for development of Israeli commerce, industry and agriculture.



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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Lower-Priced

(Continued from page 11)

economy.

Corning Glass for the first time has taken both Corelle and Expressions off allocation; it could be a sign that the manufacturer expects a slight slowing up in movement.

Corning will offer this fall a price special for the first time on Corelle 5-pc. completer sets, another indication that the manufacturer feels the need to maintain volume.

Glassware presents a mixed situation for retailers. The seasonal movement resulted in Libbey's 17-oz. iced-tea glass in the Tawny Swirl pattern showing up as No. 12.

Anchor Hocking's 24-pc. sets in the Newport Gold and Newport Crystal patterns were Nos. 1 and 2 because of their value as low-priced sets for summertime entertaining.

But, glassware sales overall slowed down and manufacturers reported lower production, so supply shortages may develop for the Christmas-gift period.

A number of categories have maintained steady sales. The bath shop is one example, due to the fact that consumers fix up their homes in bad times because they have the time; economically, it's less costly than buying new quarters.

The bath shop fix-up has resulted in step-up goods also capturing sales—witness the four Hanson scales on the chart with models in wicker in brown and white at just over $14 each as Nos. 3 and 7.

Cleaning-and-chemical sales have been very good despite the economy, as homemakers, to save money, are doing such laborious tasks as cleaning their own rugs. Glamorene's 24-oz. Spray 'n Vac was No. 10 while Airwick's 14-oz. Carpet Fresh was No. 18.

The sharper pricing from plastics manufacturers doesn't mean that they have stopped their step-up push. The two top-selling items were a Lustro-Ware 24-gal. trash can and a

(Continued on page 13)

Dayton Hudson Approves Grants

MINNEAPOLIS—The Dayton Hudson Foundation has approved $3.5 million of its 1980 $10.3 million budget for quarterly grants to communities served by the Dayton Hudson Corporation, based here.

Primary grants went to the Minneapolis YMCA ($1.2 million toward capital and inner-city programs); Macalester College in St. Paul ($1 million for the college's capital fund drive), and the Boise Forte Indian Reservation Business Committee in Orr, Minn. ($166,650 to underwrite a three-year program for economic development, which includes a multiservice center for residents).

The remainder was divided into 65 grants between $493 and $12,000 and distributed in 14 states.

HOUSEWARES

(Continued from page 11)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
3	Swing-A-Way hand can opener, jr portable	3,492	1.39	4,853.88
4	Range Kleen 6" reflector bib	2,376	1.96	4,656.96
5	Frigidaire ice cube tray	3,312	1.36	4,504.32
6	Range Kleen 8" reflector bib	1,848	2.35	4,342.80
7	Ekco small nylon turner, black handle	3,162	1.32	4,173.84
8	E-Z Foil oven liner	3,060	1.29	3,947.40
9	Ekco small nylon pancake turner, black handle	3,012	1.31	3,945.72
10	Foley measuring cup set	1,098	3.58	3,930.84
11	Foley 18" rolling pin	960	4.09	3,926.40
12	Foley 16¼" rolling pin	1,512	2.56	3,870.72
13	Foley 2-qt food mill	582	6.41	3,730.62
14	Gemco food chopper	2,322	1.60	3,715.20
15	Ekco paring knife	3,420	1.05	3,591.00
16	Foley 3-cup sifter	1,920	1.86	3,571.20
17	Ekco paring knife, carbon steel	2,568	1.30	3,338.40
18	E-Z Foil electric burner bibs	3,744	0.88	3,294.72
19	Ekco can opener w/bottle opener	4,623	0.88	3,288.72
20	Springfield oven thermometer	2,058	1.47	3,025.26

PLASTICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Lustro-Ware 24-gal trash can, green	3,168	11.38	36,051.84
2	Fesco 32-gal trash can, avocado	1,254	11.30	14,170.20
3	Lustro-Ware 9-qt rect waste basket	7,956	1.69	13,445.64
4	Lustro-Ware 24-gal domed trash can	888	12.59	11,179.92
5	Fesco 24-gal trash can, avocado	1,494	7.08	10,577.52
6	Lustro-Ware 11-qt heavy duty pail	6,192	1.69	10,464.48
7	Lustro-Ware 44-qt rect waste basket	2,544	4.03	10,252.32
8	Lustro-Ware 12-gal container, spring top	1,416	6.97	9,869.52
9	Fesco 1½-bush round wicker basket	3,942	2.45	9,657.90
10	Alabaster 30-oz tumbler	24,648	0.38	9,366.24
11	Fesco 40-gal round basket, gold	2,136	2.97	6,343.92
12	Fesco 40-gal round basket, avocado	2,064	2.97	6,130.08
13	Fesco 38-qt No-Hands can	906	6.65	6,024.90
14	Lustro-Ware oval laundry basket	2,040	2.87	5,854.80
15	Lustro-Ware 44-qt container, fliptop	1,008	5.75	5,796.00
16	Fesco 1½-bush octangle basket, yellow	1,968	2.93	5,766.24
17	Lustro-Ware 4-pc bowl set w/cover, yellow	2,016	2.83	5,705.28
18	Lustro-Ware 1-gal decanter	2,712	2.02	5,478.24
19	Fesco 1½-bush octangle basket, green	1,866	2.91	5,430.06
20	Fesco 56-qt waste bin, avocado	1,146	4.58	5,248.68

CLEANING CHEMICALS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Stick Goods 8" Roll-O-Matic mop	7,428	6.76	50,213.28
2	Glamorene 16-oz Plush dry cleaner	13,440	2.02	27,148.80
3	Murphy 32-oz liquid soap	15,036	1.75	26,313.00
4	Purex 147-oz heavy duty detergent	5,475	4.68	25,623.00
5	Purex 22-oz Sweetheart dish liquid	48,468	0.52	25,203.36
6	Texize 32-oz Fantastic spray	18,372	1.13	20,760.36
7	3M 16-oz Scotch Guard	5,928	3.44	20,392.32
8	Johnson 46-oz Future	5,070	3.85	19,519.50
9	Bissell aerosol upholstry shampoo kit	6,672	2.72	18,147.84
10	Glamorene 24-oz Spray 'n Vac	7,980	2.27	18,114.60
11	Texize 32-oz Glass Plus refill	19,044	0.94	17,901.36
12	Drackett 32-oz Windex, refill	17,952	0.97	17,413.44
13	Johnson 27-oz Future	6,468	2.65	17,140.20
14	D-Con Four Gone, single pack	6,840	2.50	17,100.00
15	Drackett corn broom, Light & Easy	4,218	3.82	16,112.76
16	Johnson 14-oz Lemon Pledge	8,364	1.92	16,058.88
17	Drackett broom, Light & Easy	4,800	3.34	16,032.00
18	Airwick 14-oz Carpet Fresh	8,688	1.84	15,985.92
19	Texize 32-oz Glass Plus spray	14,964	1.03	15,412.92
20	Drackett 32-oz Drano, industrial strength	13,092	1.16	15,186.72

BATH SHOP

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Selfix portable shower spray	1,212	6.66	8,071.92
2	Selfix shampoo spray	4,200	1.50	6,300.00
3	Hanson scale, wicker, brown	404	14.07	5,684.28
4	Ekco 18" towel bar, chrome	3,576	1.47	5,256.72
5	Gray shower caddy, white	2,526	2.03	5,127.78
6	Ekco toilet tissue holder, chrome	3,348	1.44	4,821.12
7	Hanson scale, wicker, white	344	14.01	4,819.44
8	Gray king-size shower caddy, white	1,272	3.49	4,439.28
9	Hanson scale, Princess, white	600	6.87	4,122.00
10	Hanson scale, Princess, gold	592	6.87	4,067.04
11	Ekco 24" towel bar, chrome	2,226	1.79	3,984.54

(Continued on page 13)

Meet Tog-a-Longs®' salesmen
They're going to make 40 millio

Great news! Starting in Spring '81, Tootle the Train,™ Pokey the Puppy,™ the Fuzzy Duckling™ and other lovable characters from Little Golden Books will be featured exclusively on Tog-a-Longs coordinated childrenswear.

These Little Golden Book characters are enormously popular. Over 40 million Little Golden Books are currently sold every year.

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HOUSEWARES

(Continued from page 12)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
12	Ekco 24" twin towel bar, chrome	1,698	2.34	3,973.32
13	Selfix toilet tissue holder, plastic	3,792	1.04	3,943.68
14	Selfix twin hook, 2-pack	4,476	0.84	3,759.84
15	Selfix 24" towel bar, plastic	2,544	1.47	3,739.68
16	Selfix 18" towel bar, plastic	2,772	1.32	3,659.04
17	Ekco 18" twin towel bar, chrome	1,698	2.07	3,514.86
18	Selfix 2 hooks, Moderne	6,456	0.50	3,228.00
19	Ekco 12" towel bar, chrome	2,340	1.37	3,205.80
20	Ekco toilet tissue holder, chrome	2,460	1.29	3,173.40

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	32-gal Refuse container, Roughneck	756	17.86	13,502.16
2	20-gal Refuse container, Roughneck	1,392	9.58	13,335.36
3	Covered wastebasket, chocolate	2,286	4.84	11,064.24
4	Ice cube tray, blue	20,928	0.50	10,464.00
5	Delux dish drainer, orange	2,376	4.03	9,575.28
6	Covered wastebasket, gold	1,920	4.79	9,196.80
7	10¾"-hi Rectangle laundry basket, almond	2,580	3.49	9,004.20
8	10¾"-hi Rectangle laundry basket, choco	2,568	3.49	8,962.32
9	Delux dish drainer, chocolate	2,088	4.03	8,414.64
10	15¾" Drainer tray, gold	2,856	2.93	8,368.08
11	10¾"-hi Rectangle laundry basket, gold	2,400	3.47	8,328.00
12	Delux dish drainer, almond	1,926	4.02	7,742.52
13	15¾" Drainer tray, almond	2,622	2.93	7,682.46
14	10¾"-hi Rectangle laundry basket, orange	2,214	3.46	7,660.44
15	22"-hi covered wastebasket, avocado	1,524	4.70	7,162.80
16	15¾"-hi Drainer tray, chocolate	2,442	2.93	7,155.06
17	Delux drainer tray, avocado	1,752	4.00	7,008.00
18	Delux drainer tray, orange	1,728	4.02	6,946.56
19	10¾"-hi Rectangle laundry basket, avocado	1,926	3.46	6,663.96
20	5¼" deep Dishpan, gold	3,870	1.67	6,462.90

CORNINGWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Microwave browning grill	3,670	16.72	61,362.40
2	Grab "4" It set	3,049	13.23	40,338.27
3	Microwave set	1,059	29.83	31,589.97
4	Cook's Choice set, Wildflower	709	41.82	29,650.38
5	Menu-ette set, Cornflower	1,509	13.64	20,582.76
6	Sidekick	3,682	4.93	18,152.26
7	Open roaster, large, Cornflower	1,051	15.55	16,343.05
8	Grab-It set	2,166	7.28	15,768.48
9	3-qt Casserole, Spice	1,101	13.82	15,215.82
10	Cook's Choice set, Spice	348	42.18	14,678.64
11	6-cup Teapot, Spice	1,248	11.27	14,064.96
12	Kitchen Starter set, Wildflower	475	29.55	14,036.25
13	Menu-ette set, Wildflower	780	17.47	13,626.60
14	2½-qt Shallow casserole, Spice	937	13.43	12,583.91
15	Open roaster, large, Spice	742	16.39	12,161.38
16	Kitchen Starter set, Cornflower	470	25.86	12,154.20
17	10" Microwave cooker w/built-in rack	967	12.38	11,971.46
18	Casser-ette	2,276	4.72	10,742.72
19	6-cup Teapot, Wildflower	831	11.59	9,631.29
20	2-qt Casserole, Spice	805	11.45	9,217.25

PYREX

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3-qt Oblong bake dish w/basket	2,004	10.22	20,480.88
2	4-pc Bowl set w/handle, gold	1,252	9.62	12,044.24
3	4-pc Bowl set w/handle, Autumn Harvest	1,168	9.72	11,352.96
4	3-pc Casserole set, gold	886	10.88	9,639.68
5	2-liter Juice jar	4,182	2.30	9,618.60
6	4-pc Bowl set w/handle, green	920	9.44	8,684.80
7	3-pc Casserole set, Autumn Harvest	768	10.96	8,417.28
8	4-pc Bowl set w/handle, Woodland	836	10.06	8,410.16
9	3-qt Oblong bake dish	2,142	3.92	8,396.64
10	2-qt Casserole w/basket	768	10.28	7,895.04
11	6-cup Percolator	680	9.84	6,691.20
12	3-pc Mixing bowl set	1,320	4.59	6,058.80
13	2-qt Oblong bake dish	1,692	3.56	6,023.52
14	1-cup Liquid measure	3,732	1.51	5,635.32
15	1-pt Liquid measure	2,628	1.99	5,229.72
16	2-qt Bake dish w/basket, Fireside	728	6.99	5,088.72
17	1½-qt Casserole w/basket, Fireside	772	6.20	4,786.40
18	9" Pie plate, white	2,832	1.61	4,559.52
19	8" Square cake dish w/basket, Fireside	640	6.19	3,961.60
20	8" Square cake dish	1,272	3.00	3,816.00

Source: Myron Nickman Distributors

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Lower-Priced

(Continued from page 12)

Fesco 32-gal. trash can, with average retails of $11.38 and $11.30.

One new item made the plastics report: Fesco's 38-qt. No-Hands can as No. 13.

The Rubbermaid market has been a steady growth area for the past two decades. The slowdown isn't a sales decline, but rather a slower rate of overall growth, with some of the manufacturer's lines doing very well. The bath line is one example, but bath items have so far failed to make the Rubbermaid chart because of their lower price as compared to the basic kitchen goods and waste containers.

The slowdown in tabletop movement saw an Oneida 50-pc. flatware set in the Daydream pattern break into the report for the first time as No. 16.

Corning is set to counter the dinnerware slide by introducing Strawberry as a new Expressions pattern, and Dimension IV as a new lower-priced line geared for a new consumer market.

Dimensions IV is designed for small families and couples with a taste for contemporary design and has a number of features attuned to this market. The place settings are just four pieces, with a mug instead of a cup and saucer, while the plates and bowl have a flat rim shade which is the hot dinnerware look in ironstone and stoneware.

In Corning's cookware business, two areas were strong: the French White line, and microwave items, with the browning grill and the microwave set big sellers. The grill was No. 1 in Corning Ware and the set No. 3. Overall in Corning Ware, the microwave items and the cookware designed for single-service use had the greatest unit movement. Grab "4" It set, Sidekick, Grab-It set and Casser-ette all moved over 2,000 units each and ended up as Nos. 2, 6, 8 and 18.

Both clear glass and amber-colored Fireside Purex cookware continued to be strong sellers and Corning has added a new tank just to expand its production of this merchandise. Short supplies have cut into availability and this problem should be solved with the additional production.

Autumn Harvest has started to make an impact in the Pyrex bowl area, showing up on two items, a 4-pc. bowl set as No. 3, and a 3-pc. casserole set as No. 7.

K mart to Aid Daiei

TROY, Mich.—K mart has reached an agreement in principle with Daiei Inc., Japan's largest retailer, to provide assistance in mass merchandising operations.

K mart will train Daiei personnel and provide experienced merchandise executives to the Japanese retailer in exchange for an undisclosed fee, explained K mart board chairman Bernard Fauber.

from Little Golden Books®.
sales contacts for you this year.

Hardware Show Section: Pp. 23-59

Discount Store News

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Discounters' Biz Up as Sears, Ward, Penney Slump

Nationwide DSN Report

Discounters are tightening their belts and becoming more promotional in response to tough economic times, and it appears the industry has so far been spared the heavy sales losses that have hit the big three mass merchandisers.

A sampling of sales figures for six major discounters indicates that while sales have softened somewhat, most are continuing to rack up significant increases in volume.

Wal-Mart led the list with June sales of $121,000,000—a 25% increase over the volume recorded in June 1979. K mart's sales rose 14% and Jamesway's increased 23%.

But the six chains surveyed averaged a 13.9% sales increase in June, down from the 15.4% increase recorded in May and the 19.2% in January.

By comparison, the big three—Sears, J. C. Penney and Montgomery Ward—reported an average 0.7% decrease in volume. In January the three chains averaged 6.7% in sales growth.

The steps being taken by the discount stores to combat slumping sales are routine. Costs are being cut wherever possible and in many cases margins are being reduced on an increasing number of promotional items. Most chains are also making efforts to increase employee productivity.

Officials of Wal-Mart reported the chain was cutting back slightly on advertising and increasing the amount of in-store promotions.

At Woolco, officials have not cut the advertising budget. But, said a spokesman, the chain will become more promotional by increasing in-store advertising.

Caldor meanwhile has announced it, too, will become more promotional, but officials at the chain said they will avoid "substantial" markdowns on the promotional items.

Spokesmen for the chains surveyed were reluctant to predict what lies ahead and in most cases would not disclose preliminary July sales figures.

At Woolco, however, July figures seem "a bit better" than June, when a 6% increase was recorded.

Roy Garofalo, Woolworth vice president for finance, noted that the improvement may only be illusory, however, and it is too early to tell whether sales will continue to rise.

Adding It Up

"The July figures aren't that great," he explained. "It's just that the June figures were so bad."

Officials of Wal-Mart, the only chain willing to approximate July sales at presstime, said they were "optimistic." July sales were expected to

(Continued on page 4)

Target Aims to Convert Ayr-Way, Make It Profitable

INDIANAPOLIS—After three years of trying to become a high-powered discounter, Ayr-Way may finally succeed—but only as a part of Target Stores.

If the offer by Dayton Hudson (estimated by various sources at $25 million to $30 million) for the 41-unit chain based here is successful it would be the final incarnation for Ayr-Way, which has passed from hand to hand since its founding by the L. S. Ayres Co. department store chain in the mid-60's.

Then, on or about Jan. 1, the Ayr-Way name would be replaced by the Target bull's-eye and name.

At presstime, an agreement in principle was still being reviewed by the Dayton Hudson board of directors and the board of Stephens Inc., the Little Rock, Ark., investment firm which owns 71% of the chain. (The second largest shareholder is Ronald Mayer, Ayr-Way president and ceo, who has 8.1% of the chain. The rest of the stock is owned by a handful of Stephens and Ayr-Way employees, according to Stephens officials.

Executives on both sides expected the agreement to go through within 30 days.

The consolidation has obvious advantages for both sides—although it remains to be seen how quickly Ayr-Way's ROI matches up with the 12% goal Target sets for new stores by their fifth year of operation.

For Target, the acquisition would be an efficient and affordable way to solidify its position against regional com-

(Continued on page 4)

Ayr-Way's Sales and Income History

Fiscal year ended	1976	1977	1978	1979	1980	1981 (projected)
Sales (millions)	$138	$168	$192	$243	$289	$320
Sales growth	5.8%	22.1%	14%	27%	18%	9%
Net income (millions)	$2.9	$1.3	$1.2	$2.5	$2.7	—
Sales per sq. ft.	$61	$71	$77	$86	$84	$94
Net income as % of Sales	2.1%	0.8%	0.6%	1.0%	0.9%	—
No. of stores	28	30	33	35	41	41

4 Lenders to Get Part Of Korvettes' Earnings

Joseph Ris, Korvettes' chairman, ceo, visited the housewares show in Chicago to meet vendors. (DSN photo)

By Arthur Markowitz

DSN Analysis

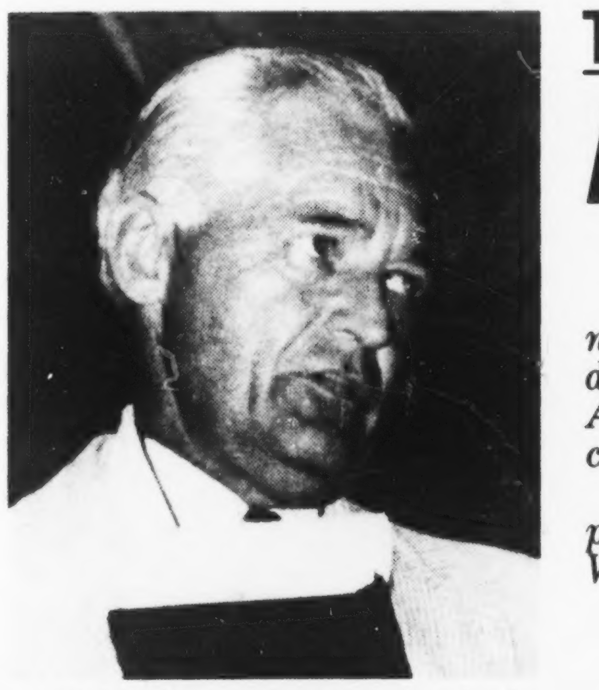
NEW YORK—Korvettes at presstime was set to release its pro forma financial statement that will report on 1979 sales (and an expected loss), along with details of the financial arrangement reached with its four main lenders last month.

A key element of the financial arrangement calls for Korvettes to pay back about $26 million of approximately $57 million owed to three banks and one insurance company, with the four lenders obtaining part or all of the remaining debt, contingent on receiving up to

(Continued on page 4)

To Be Honored at SPARC Banquet

Bennett and Walton Chart the Future



"Wal-Mart's management is in place. My role has become an observer and a listener throughout the company. I counsel, I know what's going on and I'm available—but I'm playing a less and less important role as far as our current operation is concerned."—Sam Walton, founder and chairman of Wal-Mart.

"Whether I am here or not, Caldor will continue to grow and expand. There are three people within the company qualified to become president. When the time comes for this step, the fresh perspective he brings to the job, I am sure, will make the company that much stronger."—Carl Bennett, president and founder of Caldor.

Exclusive DSN Interview

Two of the most successful retailers in the industry, Carl Bennett of Caldor and Sam Walton of Wal-Mart, will be honored during DSN's prehardware show SPARC (Supplier Performance Award by Retail Category) banquet on Sunday, Aug. 10, at Chicago's Marriott Hotel.

Bennett has been named Discounter of the Year by his retailing peers who also selected Walton for the Discounting Hall of Fame. Walton was last year's Discounter of the Year.

Discount Store News: Congratulations to both of you. How does it feel to be singled out by the discount industry?

Bennett: I am very flattered by the thought of being picked by my peers. After 29 years in the business, it's a tremendous honor to be called the Discounter of the Year.

DSN: Sam? What does the Hall of Fame selection mean to you?

Walton: It's one of the most outstanding honors ever accorded me—it may be the *most* outstanding honor. As recognition of the role that I've played in the development of Wal-Mart and of contributions I may have made to the industry as a whole, it's embarrassing. After all, it's not so much what *I've* done as what we've **all** done, together. I hope it's deserved.

DSN: Both Caldor and Wal-Mart have been maintaining good sales-volume growth through the economic slump, with consistent double-digit same-store gains. How have they held up? Have gross margins remained stable? Have you increased advertising, or in-store promotions? Sam?

Walton: We're about 30% ahead through June, about 11% in comparable stores, and our July sales started quite well,

(Continued on page 5)

Bradlees' President Frank Switches To A&S; Levin Takes Over His Duties

BOSTON—Harold Frank, president of Bradlees, has resigned and will be returning to the Abraham & Straus division of Federated (where he began his career) as executive vice president, merchandising and sales promotion.

Robert F. Levin, senior vice president of Bradlees' parent company, Stop & Shop, will assume Frank's duties and the Bradlees executive committee will report to him.

It's a Throwback

"There's a feeling of *deja vu* in this," said Levin, who had served as Bradlees' president prior to Frank's selection, and who was chief executive officer of the chain during the first year of Frank's presidency. In fact, Levin hired Frank, who was at that time executive vice president and general merchandise manager at Federated's Gold Circle division.

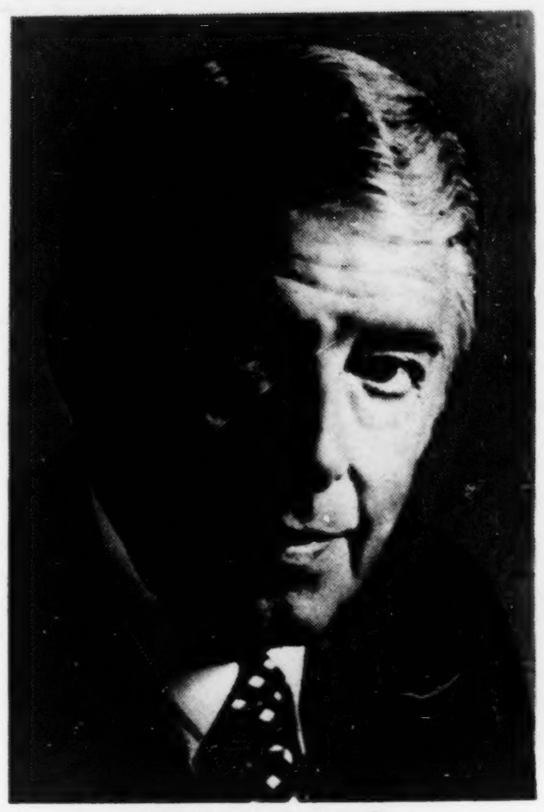
No other staff changes are planned at Bradlees, according to Levin. He said that "the best future management structure for the chain" would be studied during his interim management, but that the chain would probably stay with an arrangement similar to what has been in place, and that there will be a new chief executive officer named. No timetable has been established for finding Frank's replacement. "We'll find someone as soon as possible," said Levin, "but we will not rush.

"The six vice presidents that ran Bradlees with Hal Frank will continue to run the chain, reporting to me."

Frank was on vacation out of the country when the news was released, and not available for comment. Levin explained that Frank's motivation in leaving Bradlees was "purely personal," reflecting his desire to return to A&S, where he spent the first 25 years of his career.

The Background

Frank's position at A&S was unfilled at that chain for years, and his appointment is the first major management move made by A&S chairman and chief executive officer Lasker Meyer, who was named to that position last February. Meyer was said to be seeking a candidate who had extensive knowledge of A&S and its markets.



Robert J. Levin
Senior vice president, Stop & Shop

Harold Frank
Outgoing president, Bradlees

Bradlees had a flat first quarter. Consumer reluctance to spend on apparel, and price sensitivity in hard lines were blamed by the chain for an operating loss of $2.6 million from the general merchandise divisions during the first quarter.

"June sales were pretty good," said Levin, "but we're finding sales generally very flat, with little vigor. We're not very optimistic for the second quarter, and we're planning conservatively for the back half of the year."

Bradlees operates 85 stores, and plans five openings this year. Manchester and Newington, N.H., stores will open this month, and later this year Bradlees units will open in Elmira and Utica, N.Y., and North Windham, Me.

6 of 7 Shut Stores Would Be Sold

Tradeway Hatches Reorganization Plan

INDIANAPOLIS—Attorneys for bankrupt Tradeway of Indiana and for vendors who are owed more than $6 million were meeting at presstime to review the final details of a reorganization plan that could keep the financially plagued chain afloat.

Few details concerning the plan were immediately available, but an attorney representing the vendors said he was "partially optimistic" that the plan would avert the possible liquidation of the chain.

Sigmund Beck, of Bamberger & Feibleman, Indianapolis, said the agreement was worked out after more than seven months of negotiations between all parties in the dispute, and contains plans for the sale of leases at six of the seven Tradeway stores that have been shut down.

Tradeway tried unsuccessfully in July to auction off the leases of the closed stores.

The lease for a 70,000-sq.-ft. store in Anderson, Ind., was purchased by an undisclosed discounter for $505,000 but, said Beck, there were no takers for the remaining six leases.

Failure to sell the leases came as a setback to the discounter, which had predicted that the leases would be sold between April and July 1.

Tradeway filed its Chapter XI proceeding in the Federal Bankruptcy court for the Southern District of Indiana on Dec. 13, 1979.

The filing covers Tradeway of Indiana, its wholly owned Tradeway Distributors subsidiary, and the 14 T-way and Tradeway stores operated by the company in Indiana and Michigan.

Six of the chain's 14 stores were closed within months after the bankruptcy. A seventh was closed in July, Beck said.

Fauber Visibly Pleased as He Inspects K mart's Upgraded Apparel Test Dept.

LODI, N.J.—K mart chairman and chief executive officer Bernard M. Fauber is a merchandiser, and he still enjoys merchandising.

It was obvious in his animation and enthusiasm as he examined, for the first time, K mart's upgraded apparel merchandising test here. His enthusiasm may prompt acceleration of the test program.

Fauber's enormous satisfaction with the apparel test may also prompt him to advance scheduled hard lines merchandising tests, reportedly including an experimental racetrack configuration, at undisclosed sites.

Fauber, executive vice president Robert E. Brewer, K mart Apparel's Arnold Bachman and many other K mart and K mart Apparel executives toured ladies' apparel while Fauber (grinning from ear to ear) explained the fashion presentations and new fixtures, and introduced himself to shoppers and store personnel.

"I hope you've been shopping here many times since the change in the apparel department," Fauber said to one shopper amid laughter. The woman seemed nonplussed to have met the chairman of the chain.

"This fixture is five dollars less per unit than a plain one," Fauber pointed out proudly, indicating a split round and comparing it to a standard round rack.

Fauber also pointed out a western-design blouse to the touring executives, citing the fact that the design was woven into the fabric, rather than printed.

Fauber also made it a point to single out K mart's private label apparel, Changing Scene, saying that the chain was not using the label as much as it could.

The improved quality of goods being added to the K mart mix—the 20% of new merchandise referred to—includes 100% wool lines, more wool blends and more cotton and cotton-blend goods.

One fashion fixture at the front of the department, for ex-

(Continued on page 4)

In This Issue . . .

SHOW TIME. Buyers coming to Chicago for the Hardware Show are going to be rougher customers than ever this year, pushed to extreme caution by rising inflation, unemployment and a generally bleak economic forecast for the second half of this year. That's not to say however, that there won't be any buying this year—there will be. It's just that the retailers will be looking harder at the deals manufacturers are making and maybe shopping the show a little longer before shaking hands on a buy. DSN spotlights the product categories that retailers will be watching closely this year beginning on p. 23.

CAR FARE. The auto department is one area that seems to have escaped the current economic downturn thanks to an increasing consumer demand for fuel-saving products. DSN's market outlook on discounters' TBA departments begins on p. 62.

SECURITY SURVEY. Nearly half of the shoplifters apprehended in southern California discount stores are never prosecuted. But a store security consulting firm doesn't think that's such bad news. A study they conducted of 1,440 shoplifting cases shows why. (P. 12.)

TELEPHONING, RETAIL STYLE. In this issue's Discount Management Development lesson, Michael G. Mayo, a senior consultant for Touche Ross & Co., analyzes retailer telephone systems, highlighting recent technological advances. (P. 69.)

NEW LOOKS. DSN spotlights the new approach Caldor took in merchandising presentation in the housewares and apparel departments of its downtown Stamford and Norwalk, Conn., stores. (P. 19.) For a closer look at Jefferson's approach to discounting—in its five new Philadelphia-area stores—turn to p. 17.

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Spotlight on: Hats

To the Head Of the Class

Hats of all shapes and sizes, many with western styling, get this full-gondola treatment in Cook's newest store on Taft Road, Syracuse. Upstate New York, while not a sagebrush and saddle market, has more than its share of western movie fans, country music afficionados and pickup trucks—and western wear is as popular there as it is in any market.

The sign offers 25% savings on men's western straws at $1.99 to $7.59 tied into the chain's "Yes You Can" advertising theme. The angled mirror atop the display offers convenient viewing.

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Vol. 19, No. 16 August 11, 1980

Discounters' Sales Up

(Continued from page 1)

total about 30% over July 1979.

Same-store sales at the chain were expected to average a 10% increase in July. Officials said real growth, after inflation is compensated for, will be 4% to 5%.

Zayre president Malcolm Sherman declined to comment on July sales but said he is "hopeful" the economic downturn will be over in early 1981.

Sherman said the chain "got out of summer goods faster and cheaper than in the past" and that initial indications are that winter wear, while "not doing great, is at least doing well."

Sherman said the worst month so far for Zayre was in April when the change from previous years' sales went from a 16% increase in March to a 6% drop. In May, sales gains totaled 6% and in June they rose to 7%.

Pennsylvania-based Murphy's Mart experienced a similar downturn in April when March's 4% sales increase turned to a 2% decrease.

Since then, however, business appears to have improved, though it is still far from the 14% increase recorded in January 1980. In May there was a 4% sales increase over the previous year and in June the increase was 6%.

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
K mart	24%	18%	13%	12%	16%	14%
Woolworth/Woolco	5	12	7	4	7	6
Zayre	15	10	16	(6)	6	10
Wal-Mart	44	37	28	32	31	25
Caldor	28	14	15	15	26	22
Murphy's Mart	14	2	4	(2)	4	6
Sears	3	4	NC	(4)	(4)	(3)
Penney	9	5	2	(5)	3	2
Montgomery Ward	8	2	(3)	(5)	(2)	(1)

Source: DSN Research

Discounters are doing better in the present weak economy than the Big Three department store/catalogers. Discounters are showing smaller increases in sales volume, but the conventionals are showing sales decreases (Sears, Ward) or very minor gains (Penney).

Target's Aim Is to Convert Ayr-Way

(Continued from page 1)

petitors (Wal-Mart, Gold Circle and Venture) with a solid Indiana cluster. The advantages are heightened by the similarity of operations and merchandising techniques used by the two chains. The transition is expected to be an easy one.

In the marketplace, with Ayr-Way's 41 stores (32 of them in Indiana) in its network, Minneapolis-based Target would stretch uninterruptedly across half of Middle America—hitting major metro markets from its Minnesota headquarters to its easternmost market, Memphis. Add to this the chain's announced plans to drive further into the Sunbelt, and Target's brand of aggressive, upscale discounting would become a market force in 16 states by 1981.

For Ayr-Way, the acquisition would spell arrival at the upscale heights of discounting it has been aiming for since Jan. 1, 1977, after Stephens bought the chain from Associated Dry Goods (ADG).

For Stephens, the sell-off would mark a final disenchantment with (discount) retailing.

In 1977, when the investment firm bought the then 28-unit discounter from ADG (forced to divest by a Federal Trade Commission order) Stephens officials thought they had a tiger by the tail.

Being instrumental forces in bringing the Wal-Mart chain public had given them a taste for retailing, recalled John Geisse, former Ayr-Way chairman and the man Stephens executives tapped to make it all happen. "They thought they were going to have another Wal-Mart," Geisse said.

They didn't. The string of 80,000-to-100,000-plus-sq.-ft. stores (a handful average 60,000 sq. ft.) never really delivered, as is apparent in the resale price.

Stephens reportedly paid $20 million for the chain, then pumped another $10 million into it to renovate, expand and remerchandise, according to insiders.

Stephens officials would not reveal what they paid for the chain, nor would they or executives at Target and Ayr-Way comment on the purchase price. They would only say that the takeover would be a cash-only transaction.

"I don't think the Stephens people were prepared for the amount of deficit spending it was going to take to get the chain where we wanted it," Geisse said, looking back on his 18-month stewardship. During that time, the veteran discounter began to push the company toward the upscale style of merchandising he was instrumental in bringing first to Target and then to Venture.

In 1976, salaries, wages and employee benefits increased $4.6 million over 1975, according to the annual report for the year ended Jan. 29, 1977. Advertising costs during the same period rose 0.4% to 3% of sales, and markdowns doubled to 10.1% of sales as the chain closed out old stock.

"The company is being run on a correction-of-errors philosophy," shareholders were told in that report.

Those changes were only the beginning. Eventually all of the stores were remodeled and given the fixturing, earth-tone colors and upscale merchandising presentation that mark them today. Prices also went up as better quality goods were ordered. At the same time, electronic registers were added, warehousing procedures were streamlined and a headquarters staff was culled from discount chains around the country.

In the final analysis, observers say it may be the staff that was the weak link.

"When you look at a successful chain you see a group of people committed to a single idea. With a staff gathered from a variety of backgrounds it's hard to make that happen. They all speak a different language, and that could be the critical difference," said one observer.

Target probably will not have the same problem. Opera-

(Continued on page 82)

Four Lenders to Get Part of Korvettes' Earnings

(Continued from page 1)

25% of Korvettes' future earnings. (See DSN July 14, p. 1.)

Analysis of the information available on the debt restructuring indicates that Korvettes would have to produce about $120 million in profits in the seven fiscal years through 1987 for the four lenders to recover the approximately $31 million in remaining debt.

Trade observers said that while Korvettes could become profitable during the seven-year period, it was highly questionable that it could produce that much profit that quickly, in view of the chain's past losses.

A company executive said that the pending financial statement will show that Korvettes is "a totally different company" that is "financially viable and on its own."

This assertedly is the result of the financial arrangement reached with the major lenders and of a new relationship developed with vendors during a series of meetings held by chairman and chief executive officer Joseph Ris in July with groups of suppliers.

Korvettes' hoped-for favorable response from vendors was evident from one apparel supplier who told DSN that "they have made an agreement with the banks . . . they seem to be making an effort to stay in business . . . they are paying their bills, so we are shipping them."

The vendor acknowledged that there was a period when Korvettes wasn't shipped goods. "Now it's a credit question," he said. "How much do we want to go for? As long as they pay, why not extend credit on our regular terms?"

The arrangement with the lenders and the seemingly successful approach to vendors have raised questions among executives who deal with Korvettes, trade observers and financiers.

An executive with one factoring firm said it was "unlike banks to be so magnanimous; there must be more to it [the agreement]."

The factor, as of the middle of July, had held off credit approval for Korvettes. "I want to see the financial statement," the executive said, noting that his action shouldn't adversely affect the discounter.

"Eighty per cent of the manufacturers aren't factored," he said, "and Korvettes shouldn't have any problem getting merchandise from them."

A DSN check of some Korvettes stores showed that the discounter had been receiving limited shipments of goods, a problem chain executives have previously acknowledged.

Korvettes' parent, Agache-Willot, had attempted to solve this problem in the past by guaranteeing payment to vendors—once even putting up $30 million in guarantees.

Ris said that Korvettes had $15 million advanced by Agache-Willot for trade payments and "we intend to pay our vendors in full," after which goods would be taken only on regular credit terms.

But he added that the French company would no longer guarantee payment of shipments.

A company executive said that Korvettes would become current with its vendors "within 120 days as of July."

Ris detailed the agreement with the lending institutions as involving an immediate 20¢-on-the-dollar payment or $11.4 million; another 7¢ on the dollar or $3.7 million by December 1981, and 15¢ on the dollar or $8.4 million in five years—by December 1985.

The latter also involves payment of $2.5 million in interest, so that Korvettes would pay, $26 million out of a total debt of $57.25 million.

The company executive asserted that that was the sum total of the agreement and that the banks and insurance company didn't have any right to any funds Korvettes will receive from the planned sales of the leases of stores to be closed, and that there weren't any covenants or other controls on Korvettes.

Korvettes and bank officials declined to comment on why the banks and the insurance company made the unusual agreement with the discounter. The lending institutions are the Chase Manhattan Bank, Manufacturers Hanover Trust Co., Bankers Trust Co. and the Prudential Insurance Co.

The Korvettes executive said that the discounter was "talking with the banks about regular credit terms".

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Fauber Pleased

(Continued from page 2)

ample, included a full preppy-look presentation of blazers, slacks and sweaters in black and gray tones.

A 60%-wool Changing Scene blazer in soft charcoal gray at $34.96 and color-coordinated 100% polyester stretch woven slacks at $16.96 were displayed with a black turtleneck K mart-label sweater, 100% acrylic, at $5.57.

A light gray K mart cowl neck sweater (70% wool, 20% angora and 10% nylon) at $14.96 was also shown. The adjacent fixture held more coordinated outfits, and included a 100% wool Changing Scene sweater in complementary maroon at $9.96.

Calvin Klein jeans at $26 a pair—displayed on a combined delta rack next to the "racetrack" aisle—added to the fashion statement.

Mannequins

(Continued from page 3)

Still, the pros outnumber the cons, Walkenspaw said: The silhouettes have an unusual look that attracts shoppers; they are easier to maintain than their bulkier, traditional counterparts, the three-dimensional, flesh-look mannequins; they can easily be positioned near the same merchandise they display, and they complement fixtures.

"They pull together a fashion look, and that attracts a customer. If people don't like them, it hasn't shown in our sales here," she added.

Traditional mannequins are still used in most chains. They have worked for the last 11 years at Caldor, where divisional merchandise manager Henry Borghi uses 12 to 15 mannequins in the lingerie department alone. Mannequins prompt a customer to visualize herself in an item, and help convince her to buy nonbasic, fashion merchandise, he explained.

Borghi uses groups of mannequins and unusual display vehicles, such as home furnishings, along the aisles to draw traffic.

K mart positioned three-quarter-length traditional mannequins on platforms inside circle racks to give a fashion look to its new-model women's apparel department in Lodi, N.J.

Using mannequins to show the total look also sells fashion merchandise at Gee Bee.

Fixture buyer Jim Reed said the rekindled interest in mannequins was due to the fashion emphasis at the retail level and better styling and construction at the manufacturer level.

S. California Discount Chains Fail To Prosecute Nearly 50% of Pilferers

VAN NUYS, Calif.—Nearly 50% of shoplifters apprehended in discount stores are never prosecuted, according to a survey of shoplifting in southern California conducted here by Commercial Service Systems, store security consultants.

While this seems staggeringly high, the statistics are relatively good. The survey, based on 46 discount stores reporting 1,440 shoplifting cases in 1979, revealed apprehended shoplifters are released 69.2% by supermarket officials and 72% by drug store merchants, compared to 45.1% by discounters.

PERCENTAGES—DAY OF THE WEEK

DAY	DISCOUNT (1,440 cases for year)	SUPERMARKETS (14,656 cases for year)	DRUG (4,015 cases for year)
MONDAY	1.9	14.7	13.6
TUESDAY	16.5	14.7	11.6
WEDNESDAY	15.8	14.0	10.4
THURSDAY	17.4	14.0	12.9
FRIDAY	15.2	13.4	16.4
SATURDAY	15.4	12.7	18.2
SUNDAY	15.7	12.7	13.0
NOT INDICATED	2.1	3.8	3.9

"Merchants are extremely discriminating in choosing cases turned over for prosecution," said Roger K. Griffin, manager of CSS's Los Angeles division. He explained that in shoplifting cases intent to steal has to be proved and if a shopkeeper has doubts about this, the offender is usually released.

It's rare when a shoplifter who is pregnant or a woman with children are prosecuted for shoplifting. Yet, women in general don't necessarily escape prosecution.

PERCENTAGES OF APPREHENSIONS PER MONTH

MONTHS	Yr./Total (1,440 cases) Discount (%)	Yr./Total (14,656 cases) Supermarkets (%)	Yr./Total (4,015 cases) Drug (%)
JANUARY	7.0	10.0	7.7
FEBRUARY	7.9	10.3	5.7
MARCH	9.9	11.6	7.3
APRIL	7.8	9.0	6.2
MAY	8.1	8.5	7.0
JUNE	6.4	8.0	7.4
JULY	9.0	7.2	7.9
AUGUST	7.8	7.4	8.5
SEPTEMBER	8.1	5.8	8.8
OCTOBER	7.6	7.9	9.3
NOVEMBER	9.9	6.5	10.8
DECEMBER	9.9	7.1	12.2
NOT INDICATED	0.6	0.7	1.2

Discounters prosecuted 60.3% of the 695 female shoplifters and 46.5% of the 202 female juveniles (under 18 years of age), compared to 49.7% of the males and 35.6% of the boys apprehended.

In the 17 years of the survey, which samples suburban and urban stores, only one consistent factor has emerged. Shoplifting, Griffin said, tends to change only gradually over the years.

Many Boys Caught

Discount merchants apprehend about 60% boys in the juvenile category, yet the distribution between male and female tends to level off in adults with 53.7% females and 45.8% males. There doesn't seem to be any answer as to why boys are caught more often than girls and why those percentages become more evenly matched in adult shoplifters, Griffin said.

Discount stores also had a higher recovery of merchandise per apprehension (4.5%) than supermarkets (3.1%) and drug stores (2.6%). The average value of merchandise recovered per apprehension ran $25.44 in discount stores, compared to $7.37 in supermarkets and $9.07 in drug units.

Thursday Is Bad News

Discounters were hit hardest on Thursdays, with 17.4% of the cases recorded, and during the hours of noon and 3 p.m. and 3 p.m. and 6 p.m. with 34.7%, respectively.

During the 12 months, discount merchants apprehended the largest number of cases in March, November and December, with 9.9% each month.

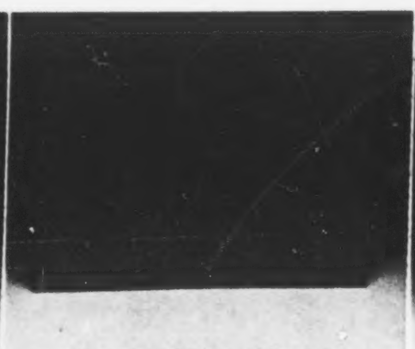
Purses Hide Loot

The survey also showed that shoplifters concealed stolen merchandise in discount stores more often in purses (29.6%), with shopping bags (15.9%) and "in pocket" (15.6%) of the time. "In purse" was highest for supermarkets (30.6%), while drug store shoplifters more often put merchandise in pockets (29.5%).

Richway's Bodker Adds Responsibility For Men's, Boys'

ATLANTA—Ira Bodker, vice president, merchandise manager at Richway, has assumed responsibility for the men's, boys' and soft home categories. He will, however, continue his present responsibilities for the girls', infants', hosiery and lingerie departments. This is his second promotion since he joined the chain as a buyer in 1971.

1. Legal Pads

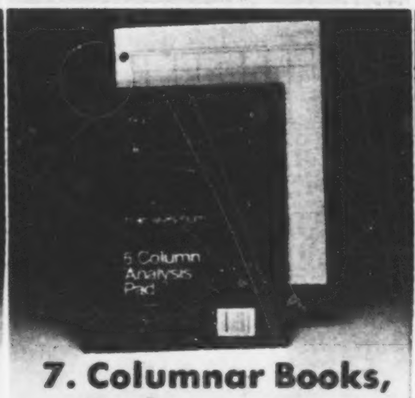

2. Red Wallet Envelopes

3. Deluxe Vinyl Binders

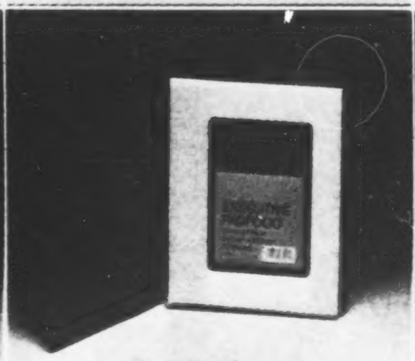
4. Home Bookkeeping & Record Systems

5. Executive Vinyl Items

6. Corrugated Files


7. Columnar Books, Pads

8. Clipboards


9. Pad Folios

10. Desk Pads

11. Kraft Envelopes

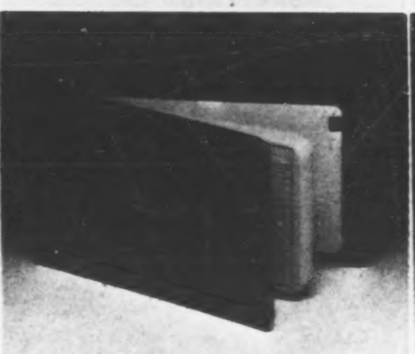
12. Clasp Envelopes

13. Filing Folders, Expandables

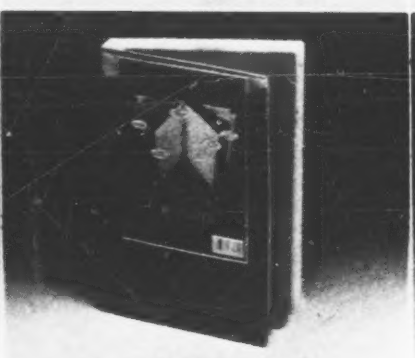
14. Typing Paper

15. Sheet Protectors

16. Letter Guides & Stencils

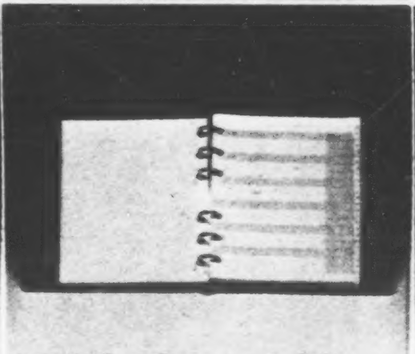

17. Ledger, Cash & Record Books

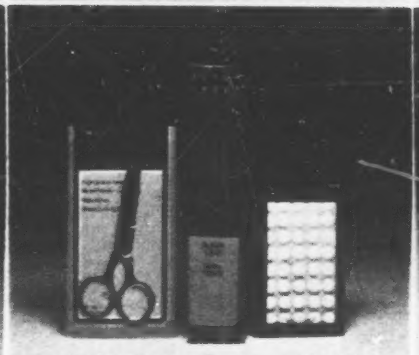
18. Scratch & Memo Pads


19. Bill Paying Organizers

20. Index Cards & Guides

21. Forms, Statements, Receipts


22. Telephone, Address & Memo Books


23. Pegboarded Accessories

24. Add/Calculator Rolls

25. Steno Books

25 different categories on one order from one manufacturer: Only from Mead

So Mead keeps your inventory down, your profit and investment return up.

Mead has the biggest line and sales team in the business. Our size and our savvy can save you big money. And Mead offers national advertising, special packaging, merchandising aids, exclusive new products.

Expert planning help, too: Picking out the bestsellers, cutting out costly trial and error. Carving out your share of this rich and growing market. And coming out ahead. **Mead makes it easy.**

ELECTRIC HOUSEWARES

STYLER/DRYERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	Northern 100W	1,064	11.46	12,193.44
2	1	Conair 1250W Vagabond	688	16.63	11,441.44
3	10	Conair 1000W Pro Dryer	796	13.08	10,411.68
4	6	Gillette 1000W Supermax 2	405	19.49	7,893.45
5	8	Northern 1200W compact	736	8.61	6,336.96
6	4	Windmere 1250W Boss	421	13.10	5,515.10
7	14	Norelco 1000W Gotcha Gun	470	11.71	5,503.70
8	9	Northern 1200W	436	10.13	4,416.60
9	—	Northern 1200W mini folding dryer	395	10.35	4,088.25
10	2	Gillette 1200W Supermax	180	22.70	4,086.00
11	7	Clairol 1200W One-for-the-Road	198	20.15	3,989.70
12	5	Conair 1200W Pro Styler w/brush	173	22.06	3,816.38
13	15	Conair 1200W Pistol Power	250	12.46	3,115.00
14	13	Sunbeam 1200W Win-Aire	209	13.36	2,792.24
15	12	Clairol 1200W Shoot the Breeze	113	15.79	1,784.27
16	11	Gillette 1300W Supermax Pro	98	18.15	1,778.70
17	17	Gillette 1400W Supermax Pro	63	21.46	1,351.98
18	16	Windmere 1200W Dry Baby	99	12.09	1,196.91
		TOTALS	6,794		91,711.80

CURLING WANDS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	Norelco Wave Maker	768	13.38	10,275.84
2	1	Clairol Crazy Brush	635	13.43	8,528.05
3	2	Gillette Body & Curl	504	14.76	7,439.04
4	5	Northern Pro Styling Brush	962	6.86	6,599.32
5	4	Norelco Curl Q	550	10.30	5,665.00
6	11	Gillette Super Curl Compact	365	13.38	4,883.70
7	6	Clairol Crazy Curl	376	12.09	4,545.84
8	7	Windmere Pretty Curl	642	5.59	3,588.78
9	8	Dazey Beauty Curl	1,252	2.83	3,543.16
10	10	Sunbeam Mist Stick, Swivel Cord	313	8.29	2,594.77
11	12	Windmere Dry Iron	604	4.29	2,591.16
12	13	Northern Pro Iron, chrome	276	4.79	1,322.04
13	14	Windmere Kwik Kurl Wonder Bar	153	3.70	566.10
14	15	Windmere Curling Brush	61	8.73	532.53
		TOTALS	7,461		62,675.33

DRIP COFFEEMAKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	North Amer Mr Coffee 12-cup w/saver	3,506	39.34	137,926.04
2	2	Norelco 10-cup Dial-a-Brew	3,301	24.46	80,742.46
3	3	Proctor-Silex 10-cup	2,979	19.81	59,013.99
4	4	North Amer Mr Coffee 10-cup	1,199	26.41	31,665.59
5	5	Norelco 10-cup Dial-a-Brew	901	34.85	31,399.85
6	7	Norelco Express 4-cup	637	20.84	13,275.08
7	6	North Amer Mr Coffee 10-cup w/sver	135	37.66	5,084.10
8	—	Bunn-Matic 8-cup	59	40.00	2,360.00
9	8	Regal 4-cup Mini-Drip	148	15.93	2,357.64
10	—	Van Wyck 12-cup Great Coffee	80	15.60	1,248.00
11	9	Hamilton Beach Mini-Drip	74	16.11	1,192.14
		TOTALS	13,019		336,264.89

CAN OPENERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Rival, almond	1,318	10.19	13,430.42
2	2	Waring w/knife sharp, gold	648	13.43	8,702.64
3	3	Rival w/knife sharp, almond	443	11.98	5,307.14
4	4	Rival w/knife sharp, white	232	14.18	3,289.76
5	—	Rival gold	53	10.31	546.43
		TOTALS	2,694		31,276.39

(Continued on page 21)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Manufacturers Add Step-ups For Hot Drips

By Howard Bobroff
President,
Myron Nickman Distributors

A number of drip coffeemaker manufacturers introduced stepped-up models at the housewares show in Chicago last month in the expectation that the appliance will continue to be a strong-selling, basic, kitchen electric.

The Product Movement Audit for the May 27 through June 20 period backed up this expectation as drip coffeemakers were the top small appliance in both unit and dollar movement.

Wake-up Bonanza

Manufacturer's trade-up efforts for drip coffeemakers included such features as electronic controls and timers, the latter designed to have hot coffee ready when a consumer wakes up in the morning.

At the same time, a number of vendors plan to offer sharp rebates on lower-priced, older models. The final price to con-

(Continued on page 21)

Up-'n'-Comers

The following "High Risers" chart lists items (and their rank) that have moved up five or more places from the previously published Myron Nickman Distributors electric housewares PMA.

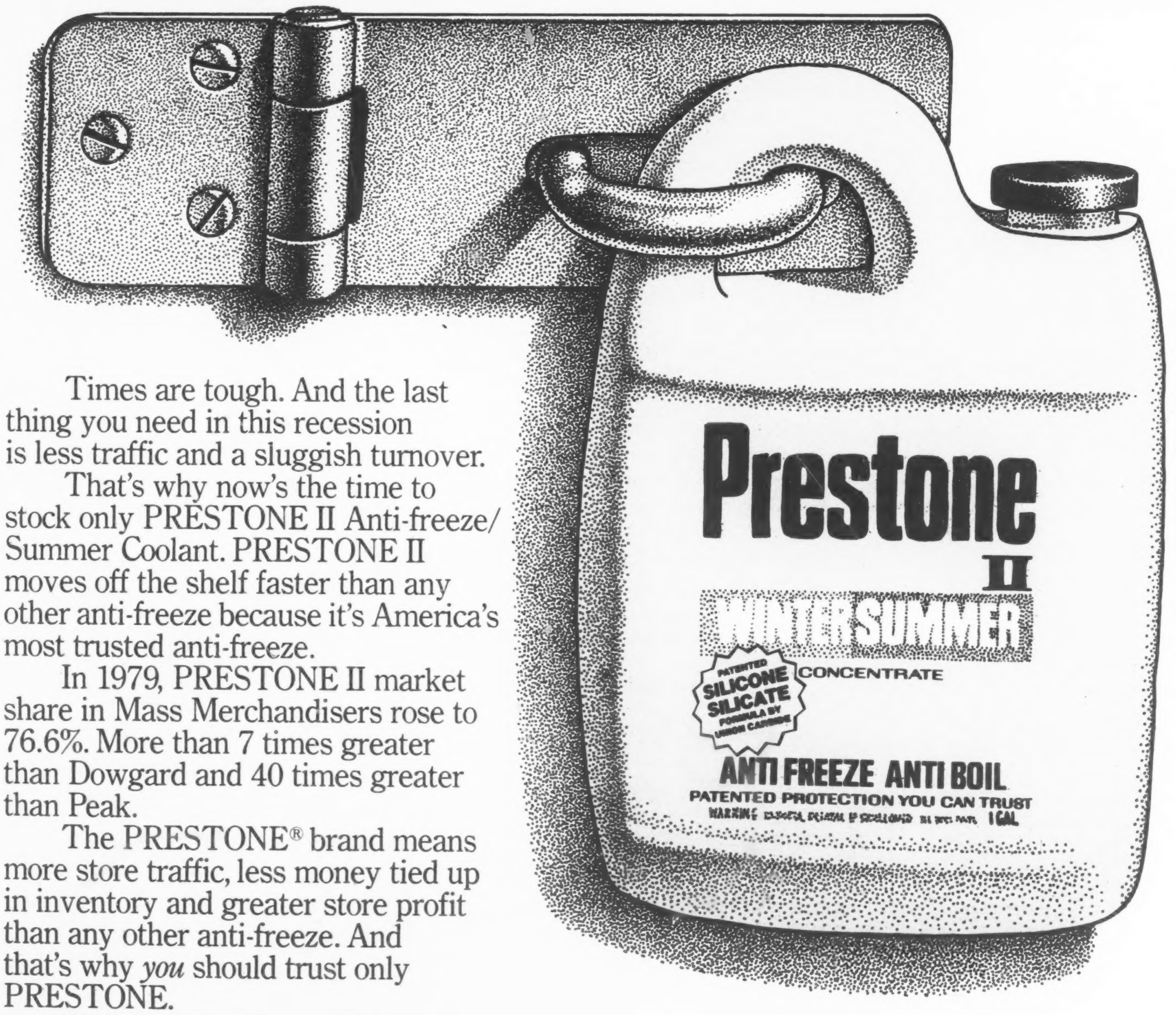
Category/Item	Rank
STYLER/DRYERS	
Conair 1000W Pro Dryer	3
Norelco 1000W Gotcha Gun	7
Northern 1200W mini folding dryer	9
CURLING WANDS	
Gillette Super Curl Compact	6
DRIP COFFEEMAKERS	
Bunn-Matic 8-cup	8
Van Wyck 12-cup Great Coffee	10
SPECIALTY ELECTRICS	
Presto Hot Dogger	5
SLOW COOKERS	
Rival 5-qt remov linr, almnd	4
Van Wyck 6-qt removable	6
BLENDERS	
Oster 10-speed	4
Waring 8-sp Titan blender	6
CAN OPENERS	
Rival, gold	5

Human Resources Conference Is Set

NEW YORK—The National Retail Merchants Association (NRMA) will sponsor the 1980 conference on Human Resources in Retailing here, Sept. 17 to 19.

Concurrent sessions, roundtable discussions and an exhibition will spotlight topics including personnel problems, the role of retailing in business and changes in the labor market.

Prestone II® protects against freeze-ups, boil-overs, rust and recession.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PATENTED SILICONE SILICATE FORMULA BY UNION CARBIDE
CONCENTRATE
ANTI FREEZE ANTI BOIL
PATENTED PROTECTION YOU CAN TRUST
1 GAL

Times are tough. And the last thing you need in this recession is less traffic and a sluggish turnover.

That's why now's the time to stock only PRESTONE II Anti-freeze/Summer Coolant. PRESTONE II moves off the shelf faster than any other anti-freeze because it's America's most trusted anti-freeze.

In 1979, PRESTONE II market share in Mass Merchandisers rose to 76.6%. More than 7 times greater than Dowgard and 40 times greater than Peak.

The PRESTONE® brand means more store traffic, less money tied up in inventory and greater store profit than any other anti-freeze. And that's why *you* should trust only PRESTONE.

Get in on the biggest fall advertising and promotion program ever for America's fastest-selling anti-freeze, PRESTONE II. Call us today, free, at 800-621-0761.
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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hot Drips

(Continued from page 20)

sumers for these models could drop to $13 to $15 with the rebates.

Trade-up efforts were scattered among the other basic electrics. Producers showed new items that included electronic controls for food processors, more lightweight and compact irons, second-generation hot-air corn poppers and styler/dryers rated at 1,400 watts.

Goal Is Refinement

The total effort was toward refinement of basic electrics, rather than major innovations. Manufacturers are holding off the introduction of breakthrough small appliances until the economy improves, and discounters and other retailers are more receptive to making commitments for new items.

The focus on staple small appliances, particularly lower-priced products, was evident in the PMA. Categories such as curling wands and irons, in which lower-priced items dominated, had higher unit movement from more items than did categories such as food processors and stand mixers in which higher-priced models were the standard.

Drip coffeemakers were the one exception as this category includes models that range to $40 as the average retail. Still, a $40 average retail is under the $60 average retail for food processors or the $75 average retail for a stand mixer with a dough hook.

Popcorn Makers Hot

The top kitchen electrics after drip coffeemakers were specialty electrics and then blenders. Hot-air popcorn makers were the key items in the former while the latter's movement was sparked by the availability of low-priced mod-

(Continued on page 66)

ELECTRICAL HARDWARE

(Continued from page 20)

SPECIALTY ELECTRICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Wear-Ever Popcorn Pumper	973	28.59	27,818.07
2	2	Proctor-Silex 4-qt ice cream maker	1,696	13.96	23,676.16
3	3	Presto Popcorn Now	352	31.23	10,992.96
4	4	Presto Fry Daddy	235	24.86	5,842.10
5	10	Presto Hot Dogger	653	5.56	3,630.68
6	5	Hamilton Beach Butter-up Popper	220	14.78	3,251.60
7	7	Mirro Butter/Rite corn popper	331	9.61	3,180.91
8	6	Hamilton Beach Fry All	97	18.80	1,823.60
9	12	Sunbeam Great Amer Popcorn Machine	84	20.31	1,706.04
		TOTALS	4,641		81,922.12

SLOW COOKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Rival 5-qt removable liner, beige	491	25.80	12,667.80
2	1	Rival 3½-qt almond	957	1.29	12,345.30
3	3	Rival 3½-qt removable liner	436	21.04	9,173.44
4	—	Rival 5-qt removable liner, almond	199	21.50	4,278.50
5	5	Rival 3½-qt, flame	339	12.29	4,166.31
6	—	Van Wyck 6-qt removable	66	24.71	1,630.86
7	6	Rival 1-qt Crock-ette	72	11.29	812.88
		TOTALS	2,480		45,075.09

TOASTERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Proctor-Silex 2-slice, Promo	1,048	12.26	12,848.48
2	3	Toastmaster 2-slice, almond	567	12.44	7,053.48
3	2	Proctor-Silex 4-slice, Promo	292	18.26	5,331.92
4	5	Toastmaster 4-slice, dual ctrl wood tone	136	28.34	3,854.24
5	4	Proctor-Silex 2-slice, Pastry	171	16.23	2,775.33
6	6	Proctor-Silex 4-slice, Pastry	82	24.19	1,983.58
		TOTALS	2,296		33,847.03

FOOD PROCESSORS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Hamilton Beach Cuisine Machine	171	60.94	10,420.74
2	3	Hamilton Beach 6-sp food processor	157	58.53	9,189.21
		TOTALS	328		19,609.95

IRONS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Proctor-Silex steam	1,104	12.53	13,833.12
2	2	Hamilton Beach Speed-O-Light II	443	16.20	7,176.60
3	3	Sunbeam Self-clean	168	27.55	4,628.40
4	4	Proctor-Silex stm/spry, slf-cln	194	19.40	3,763.60
5	6	Proctor-Silex steam/spray	215	15.20	3,268.00
6	7	Sunbeam self-clean, promo	144	21.49	3,094.56
7	9	Struhl travel iron	505	5.94	2,999.70
8	8	Hamilton Beach Smart iron	101	29.56	2,985.56
9	6	Sunbeam steam iron, promo	138	12.09	1,668.42
		TOTALS	3,012		43,417.96

STAND MIXERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Sunbeam w/dough hook, white	145	75.13	10,893.85
2	2	Waring 6-speed, 2-way, white	352	20.01	7,043.52
		TOTALS	497		17,937.37

HANDMIXERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Hamilton Beach 3-speed, gold	1,364	10.28	14,021.92
2	2	Waring 6-speed, white	616	12.89	7,940.24
3	4	Sunbeam 3-speed, white	509	10.73	5,461.57
4	3	Hamilton Beach 5-sp w/case, almd	256	18.60	4,761.60
5	5	Sunbeam 5-sp, Burst Of Power, whi	94	21.40	2,011.60
		TOTALS	2,839		34,196.93

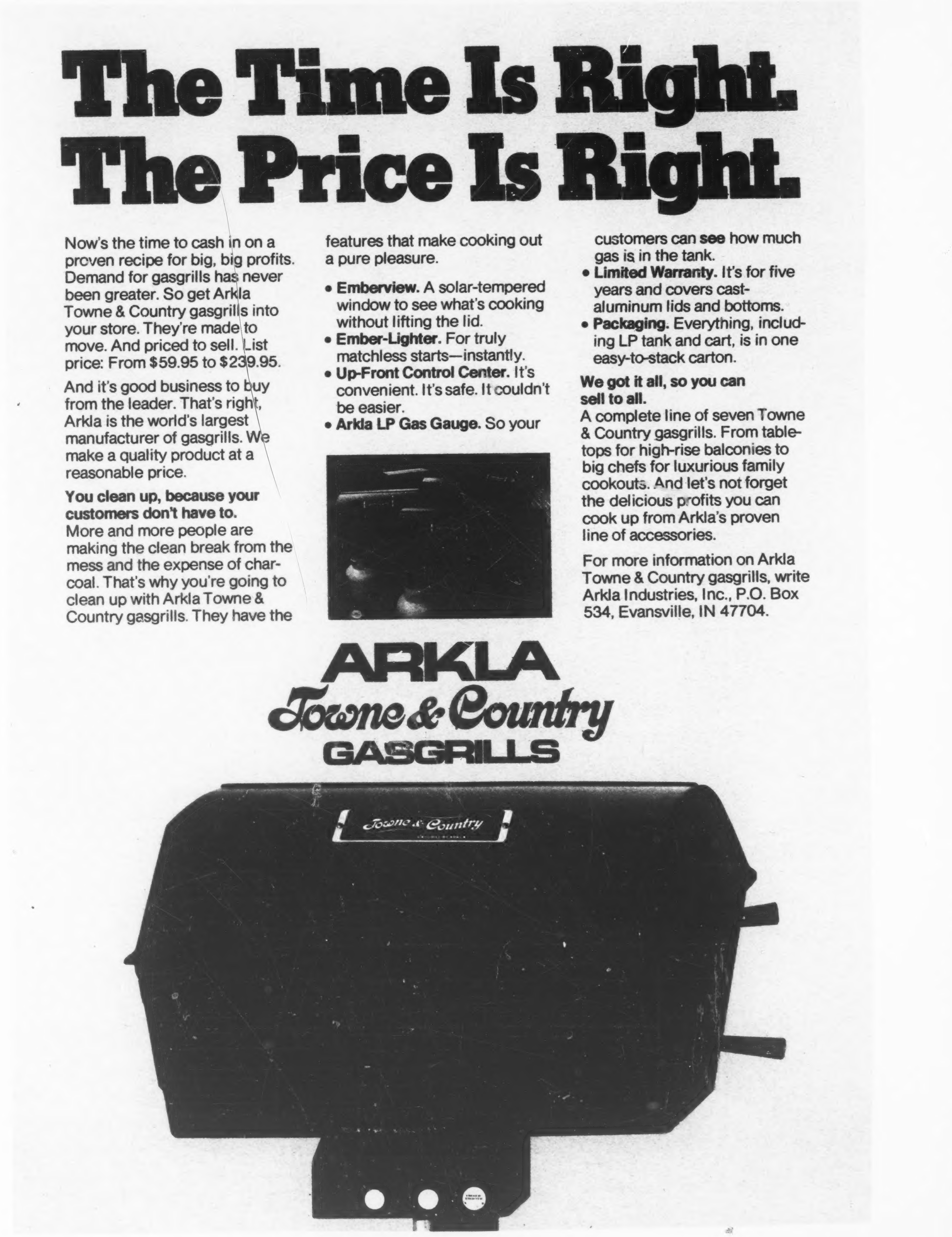
(Continued on page 66)

K mart Will Issue $200M in Notes

TROY, Mich.—K mart has filed a preliminary prospectus for the issuance of $200 million in K mart notes due July 15, 1985. The New York investment house Morgan Stanley & Co. is handling the public offering.

The proceeds will be added to the general funds of the company to increase working capital through a temporary reduction of short-term borrowing, and will be used for acquisition and development of real estate, including distribution centers and stores. K mart plans the addition of five distribution centers by 1983, making it possible to reach every K mart in one day from one of 11 distribution centers nationwide.

The notes will be issued in denominations of $1,000 or any multiple thereof, with the Chase Manhattan bank acting as trustee. Interest will be paid twice annually.



The Time Is Right.
The Price Is Right.

Now's the time to cash in on a proven recipe for big, big profits. Demand for gasgrills has never been greater. So get Arkla Towne & Country gasgrills into your store. They're made to move. And priced to sell. List price: From $59.95 to $239.95.

And it's good business to buy from the leader. That's right, Arkla is the world's largest manufacturer of gasgrills. We make a quality product at a reasonable price.

You clean up, because your customers don't have to.
More and more people are making the clean break from the mess and the expense of charcoal. That's why you're going to clean up with Arkla Towne & Country gasgrills. They have the features that make cooking out a pure pleasure.

- **Emberview.** A solar-tempered window to see what's cooking without lifting the lid.
- **Ember-Lighter.** For truly matchless starts—instantly.
- **Up-Front Control Center.** It's convenient. It's safe. It couldn't be easier.
- **Arkla LP Gas Gauge.** So your customers can **see** how much gas is in the tank.
- **Limited Warranty.** It's for five years and covers cast-aluminum lids and bottoms.
- **Packaging.** Everything, including LP tank and cart, is in one easy-to-stack carton.

We got it all, so you can sell to all.
A complete line of seven Towne & Country gasgrills. From tabletops for high-rise balconies to big chefs for luxurious family cookouts. And let's not forget the delicious profits you can cook up from Arkla's proven line of accessories.

For more information on Arkla Towne & Country gasgrills, write Arkla Industries, Inc., P.O. Box 534, Evansville, IN 47704.

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Fittings and valves for
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No Torch No Threading
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Plastic: New Wave in Plumbing

Plastic and metal plumbing parts are stocked side by side at Woolco. Point-of-sale merchandiser tells shoppers, with illustrations, how easy it is to use the plastic parts. *(DSN photo)*

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hot Drips

(Continued from page 21)

els with multispeed controls.

Hair care electrics, the other small appliance area tracked on the PMA, continued to show strong movement, due in great measure to the low price tag carried by this merchandise. Of the 18 styler/dryers on the report, 15 had tags under $20.

The curling wand story is similar; of the 14 models, six were in the $10 to $14 range, with the remainder under $10.

Low price has become a key factor in volume sales for discounters and other retailers, and the top-selling items in most of the categories tracked on the PMA demonstrated this.

ELECTRIC HOUSEWARES

(Continued from page 21)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
BLENDERS					
1	1	Hamilton Beach 7-speed, almond	1,104	18.85	20,810.40
2	2	Waring 14-speed, almond	724	22.68	16,420.32
3	5	Waring 15-button, white	137	26.24	3,594.88
4	—	Oster 10-speed	147	24.06	3,536.82
5	4	Hamilton Beach 14-sp Blndr Pls, gld	113	29.56	3,340.28
6	—	Waring 8-speed Titan blender	84	18.80	1,579.20
7	6	Oster 10-speed, glass bowl	53	29.18	1,546.54
		TOTALS	2,362		50,828.44

Source: Myron Nickman Distributors

Vornado Discontinues 15¢ Quarterly Dividend

GARFIELD, N.J.—Vornado, parent corporation of the Two Guys discount department store chain, has discontinued its quarterly dividend payment of 15¢ a share.

The dividend payments by the financially troubled chain had been reinstituted last year, in the midst of a proxy battle with Interstate Properties, a real estate investment firm that had been buying Vornado stock.

Interstate had three members elected to the board of directors in 1979, and this year came to an agreement with Vornado management that saw two more Interstate candidates join the nine-member board, giving Interstate (and Steven Roth, a partner in Interstate) control of the board. Roth has moved offices into Vornado's headquarters here, and is receiving the same compensation (almost $500,000) as Fred Zissu, Vornado chairman.

Two Guys recently sold 12 of its stores in the Philadelphia market to Jefferson Stores.

Discount Directory For '80 Published

NEW YORK—The 1980 Directory of Discount Department Stores, with more than 1,400 pages, has been published by Business Guides Inc., a subsidiary of Lebhar-Friedman Inc.

A separate section of the directory this year includes a listing of catalog showroom operators and coordinators. A quick index of the top 50 discount department store chains, ranked by volume, has also been added. Other features include an industry profile that graphs a 10-year pattern, a list of major trade shows (with hard lines and fashion events listed separately) and profiles of each major public chain—highlighting volume, total square footage, sales per square foot, store locations and more.

The directory contains information on 300 chains operating 7,600 stores, 192 leased department operators, 28 catalog showroom coordinators and 379 catalogers with some 1,500 showrooms.

To order a copy of the directory, which costs $110, contact Business Guides Inc., 425 Park Ave., New York, N.Y. 10022, or call 212-371-9400.

Richway's Anderson Upped to VP, MM

ATLANTA—Andrea Anderson, Richway divisional vice president—sportswear, has been promoted to vice president, merchandise manager. She will oversee women's sportswear, ready-to-wear, handbags and accessories in her new position. Anderson joined the discount department store division of Federated Department Stores as a buyer in 1975.

Move over Quaker State.
Move over Pennzoil.

QUAKER STATE
MOTOR OIL
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ALL CLIMATE
HEAVY DUTY
VALVOLINE
MOTOR OIL
PENNZOIL
Z-7
multi-vis
MOTOR OIL
Watch For Our Spectacular "Do-It-Yourself" Fall Promotion!

Valvoline's moved up to #1.

In 1979, Valvoline 10W-40 breezed past its two biggest competitors to take honors for the fastest moving motor oil in Discount Store News' 6th Annual Product Movement Audit.

And not only was Valvoline rated #1 in unit movement among ALL automotive products surveyed, it also moved up to third place in total dollar volume as well.

The DSN survey covered 2000 stores in 33 states, discount houses making up the majority. And only three brands of motor oil; Valvoline, Pennzoil and Quaker State were included in the 100-item automotive product list.

Retailers, you know it makes good sense to stock motor oil; now you know it makes the best sense to stock "the movingest motor oil around"—Valvoline!

Valvoline®
The movingest motor oil around.
Valvoline Oil Company Ashland Division of Ashland Oil, Inc.

For more information call: EAST—Bob Harbison (513) 471-0115. WEST—Jack Felty (213) 698-8901.

Hardware Show Section

Discount Chains and Their Customers Move Toward Higher-Priced Goods

Year	Average Dept. Size (sq. ft.)	Sales per Store	Volume per sq. ft.	Annual Turn	Initial Markup	Gross Margin
1973	2,153	$165,781	$ 77.00	3.5	39%	34%
1974	2,353	181,181	77.00	3.5	39	34
1975	3,225	264,450	82.00	3.5	40	36
1976	4,180	187,480	86.00	3.5	43	36
1977	4,450	507,656	114.08	3.3	41	35
1978	3,195	391,291	122.47	3.1	39	34
1979	3,210	426,644	132.91	3.0	41	36

Source: *DSN* Research

Throughout the 70's discounter hardware departments made substantial gains.

Sales per square foot rose by more than 70% during the period while average sales per store jumped more than 150% to $426,644.

Department size, after fluctuating over the course of the decade, seemed to settle at an average size of about 3,000 sq. ft.—a 50% increase over their size in the early 70's.

More significantly, the sales gains occurred during a period when initial markups and gross margins remained fairly stable. This is evidence that both discounters and their customers are moving away from low-end product lines and toward better-quality, higher-priced goods.

Security, L&G Are Strong

(Continued from page 23)

components for extensive rewiring jobs, but rather the basics—most notably extension cords which are at their peak during the summer. (However, some discounters are concerned that a new safety ruling passed late last year could hurt sales. Manufacturers are raising prices to offset the cost of voluntarily complying with a new U. L. recommendation to improve the safety of the product.)

In other categories, such as power tools, sales performance was under par. Many discounters continue to report that Black & Decker is still not sending them the promotional tools they need to stimulate sales in the category.

Another area that has been directly impacted by the downturn in the economy is vendor relations.

Manufacturers coming to the hardware show this year expected discounter pressure to be brought to bear on them in areas such as dating, terms and pricing. Vendors also expected to see their customers shopping the show more carefully than ever, before shaking hands on deals this year. "Retailers are too concerned with inventory levels to buy the way they have in the past," was a sentiment shared by many suppliers.

Putting on Pressure

"We're already hearing more requests for both quantity and price breaks," reported Bob Markwart, advertising manager for the Chamberlain Manufacturing Corp. "Retailers are working on tighter budgets than they have in the past, and they are certainly avoiding stockpiling goods."

Accordingly, the company is devising new programs for the year that have been arrived at "strictly because of the economy." However, he pointed out: "We're going to be careful about extending dating. When we offer our customers 90 days it costs us a lot more to carry it."

Other manufacturers are paying closer attention to the demands of the do-it-yourself (and the mass merchandise) marketplace and are repackaging lines to give retailers more of a hand on the sales floor.

"We've repackaged our line to hone in on the DIY market," said Joe Goloversic, advertising manager for Gibson-Holman, a manufacturer of caulks, sealants, and decorative products. The new packaging will be some of what the company is hoping will stimulate sales.

"We're getting better at it," he said, referring to the company's industrial history. "We recognize the best way for anyone to sell our product is for it to tell the whole story in a single glance."

2nd-Quarter Net Drops At Service Merchandise

NASHVILLE—Service Merchandise's second-quarter net income dropped 8% to $4,008,000 on a 16% increase in sales, compared to the same period last year.

Sales for the quarter ended June 30, 1980, were $179,500,000, up from $154,700,000 in 1979.

Sales for the first half increased 26% over the previous year's. Net income for the six-month period, however, declined 19% to $3,034,000.

Irizarry Joins Mars

NEW BEDFORD, Mass.—Julian Irizarry is the new buyer of ladies' dresses, sportswear and coats at Mars Stores.

A textile specialist, he has been with Anderson-Little, J. P. Stevens and United Merchants. The appointment is part of a long-range plan at the chain to improve personnel and sales performance. In 1979, sales increased 22%.

Zayre's Silver Resigns

FRAMINGHAM, Mass.—Lee Silver, senior vice president and director of personnel at Zayre, has resigned to open his own personnel consulting business.

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You are cordially invited to meet with our Garden Hose Sales Staff in Booth 2614 at the National Hardware Show.

This will be, we feel, an unsurpassed opportunity for you both in potential sales and profitability.

Please consider yourself my personal guest.

John R Lindsay

John R. Lindsay
Senior Vice President
Swan Hose Division

Hardware Show Section

HARDWARE

These figures, for the most recent 30-day period available, were supplied by Hardware Distributors, Secaucus, N.J., and cover 350 stores, including 141 discounters, in 20 states east of the Mississippi. Average retail prices listed by the distributor reflect typical price points for discount clients.

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	ELECTRICAL WIRING DEVICES			
1	03302 16/3 100 ft Rd Oran	1,125	19.99	22,488.75
2	3/4x60 ft PVC U/L Electric.	16,880	0.99	16,711.20
3	03354 16/3 50 ft Rd Orang	1,416	10.99	15,561.84
4	J-51 51 Element TV Anten	83	69.99	5,809.17
5	Solid State Rotor MR-2	74	59.99	4,439.26
6	Romex Wire 14/2 50 ft UF	315	12.99	4,091.85
7	03752 16/3 50 ft Flat Orn	336	10.49	3,524.64
8	G-26 26 Element TV Anten	61	49.99	3,049.39
9	DR600RC Rotary Dimmer U	576	4.99	2,874.24
10	10243GBC Dplx Snap Cover	696	3.99	2,777.04
11	10382LBC 2 Lampholders W	336	7.79	2,617.44
12	Ind. Ant 12 Posit Gem-20	164	14.99	2,458.36
13	03151 16/2 50 ft Rd Orang	240	9.99	2,397.60
14	7445-25 18/3 Trouble Lit	216	10.99	2,373.84
15	G-12 12 Element TV Anten	99	21.99	2,177.01
16	22707 Nitelite Ivory	1,260	1.69	2,129.40
17	TV Wire Foam 100 ft TVF	270	7.79	2,103.30
18	10330BC Lamp Holder	696	2.99	2,081.04
19	03727 16/3 25 ft Flat Orn	312	6.49	2,024.88
20	G-18 18 Element TV Anten	63	31.99	2,015.37
	PLUMBING			
1	14206 6 in Force Cup w/21	1,056	1.69	1,784.64
2	1600 Toilet Tank Repair	222	7.99	1,773.78
3	1422 Super Plunger	360	3.99	1,436.40
4	1501 3-1/2 in Basket Strai	606	2.19	1,327.14
5	1725P 25 Power Rooter	58	19.99	1,159.42
6	2511 1½ in x 12 yrd Duct T	396	2.79	1,104.84
7	1408 Plumbing Repair Kit	456	2.29	1,044.24
8	2510 Dryer Vent Kit	126	7.99	1,006.74
9	1801 6 ft Washing Machine	216	4.29	926.64
10	700N Snap Coupler w/Aera	124	7.29	903.96
11	20903 1½ in J-Bend/Kitc	180	4.99	898.20
12	1601 Plastic Ballcock	168	5.29	888.72
13	4224 Sink Spray w/4 ft Ho	110	7.49	823.90
14	1715E 15 ft ¼ in Drain A	204	3.99	813.96
15	360 Executive Shower Hea	162	4.99	808.32
16	26300 Tub Seal White	444	1.79	794.76

(Continued on page 37)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Stay-at-Homes Are Targets of Seasonal Push

SECAUCUS, N.J.—Seasonal promotions headed the list of best-sellers in the latest monthly PMA from Hardware Distributors, based here.

In the lawn and garden category, Melnor's Pulsating (watering) Spike was a favorite promotion item for discounters. Unit volume was up considerably as discounters responded to stay-at-home consumers' demand for home-and-lawn care products.

The movement of more lawn chemicals and fertilizers onto the chart was another sign of consumers saving gas by remaining home this summer.

In glues, lubricants and adhesives, Krazy Glue continued to hold the top spot. Second, third and fourth positions, which regularly change hands among Eastman Adhesive, Woodhill's Super Glue and

(Continued on page 37)

New Calif. Law May Up Biz in Smoke Alarms

Nationwide DSN Report

Sales of smoke alarms—at one time a red-hot hardware-department item—have been cool for awhile. Even with steady retailer promotion and manufacturer rebate support, the item ceased to be an endcap star quite a while ago.

New legislation in southern California, however, may recall the item from side-aisle obscurity—at least temporarily.

"We're running an ad now to capitalize on the new law," reported Steve Moskowitz, buyer at The Treasury. Moskowitz anticipates that the new law, which requires Los Angeles landlords to install smoke detectors in multiple dwellings when they make more than $1,000 worth of improvements, will substantially boost sales from their current steady, but not exciting, levels.

"Generally, we have to promote smoke alarms to get them to move," explained Ben Bowen, a buyer with Rasco Stores, "even with the current rebate structure." But Rasco expects the new law to make a difference in the chain's L.A. stores.

Elsewhere in the country, however, business is flat.

"Sales in that category have plateaued," reported a Murphy's Mart buyer. "One of our competitors recently offered a name-brand product at $11.88—

(Continued on page 39)

OUR REPUTATION HAS LASTED BECAUSE OUR TOOLS HAVE.

Your customers want tools that work as hard as they do. That's why so many people buy True Temper. We've been making long-lasting tools since 1835. They last long because we put more into them than just our reputation.

Take our DLR Dynalite® dirt shovel. The blade is made of temper-forged, high-carbon steel for strength and durability. And it has a Fire-Hardened® ash handle to last longer. With a knob-end for a better grip.

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Hardware Show Section

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Stay-at-Homes

(Continued from page 36)

Super Glue Gripper, showed that both dollar and unit volume were up considerably—a real gain, rather than the dollar split often seen in the category.

Supply problems with Black & Decker continued to keep power-tool sales depressed and forced discounters to scramble for other promotables.

One hardware category that

(Continued on page 38)

HARDWARE

(Continued from page 36)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
17	12013 Lucite Handle Set	186	3.99	742.14
18	1306 Faucet Wrench	114	6.29	717.06
19	20010 ⅜ in Angle Stop	192	3.69	708.48
20	20901 1½ in P-Trap-Kitc	83	7.99	663.17

SEASONAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	10x25 ft Wind/Door Insul	72	7.49	539.28
2	OS-12 Elect Outlet Sealer	120	1.59	190.80
3	17 ft Tblr Vnl Gasket V-1	48	1.49	71.52
4	AC5 20x28x30 in A/C Cover	12	4.19	50.28
5	E-3 30 ft Rope Caulk Mort	40	0.99	39.60
6	3/4x17 Plstc Foam TP L34	24	1.49	35.76
7	5/16x10 Spng Rub Taper 53	24	1.39	33.36
8	3/16x10 Song Rub Taper 33	24	1.19	28.56
9	S258/17 ft Felt Wthrstrp	36	0.69	24.84
10	42 in A/C Wthrstrp Fm AC4	24	0.99	23.76

BULBS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	FC12T9/SW 12 in Dia Soft	360	9.90	3,564.00
2	F20T12/SW 24 in Soft White	666	3.80	2,530.80
3	50/150 3-Way Med Soft-Wh	1,368	1.75	2,394.00
4	30/100 3-Way Med Soft-Wh	1,344	1.75	2,352.00
5	F40CW 48 in Fluorescent	756	3.10	2,343.60
6	40A/W Soft-White 4/Sleev	2,736	0.85	2,325.60
7	60A/W Soft-White 4/Sleev	2,400	0.85	2,040.00
8	FBS25/WX 25 in Bright Sti	126	15.95	2,009.70
9	15A/W Soft-White 2/Sleev	1,752	0.92	1,611.84
10	40A15 Appliance Inside F	1,584	0.99	1,568.16
11	150Par/FL Outdoor Floodl	276	5.65	1,559.40
12	50/250 3-Way Med Soft-Wh	732	2.10	1,537.20
13	7C7/W Nite Lite White 2	984	1.38	1,357.92
14	F15T8/SW 18 in Soft White	318	4.15	1,319.70
15	4C7 Nite Lite Clear 2/CD	972	1.30	1,263.60
16	FC8T9/SW 8 in Dia Soft Wh	132	9.20	1,214.40
17	25A/W Soft-White 2/Sleev	1,320	0.92	1,214.40
18	75Par/Fl Outdoor Flood	216	5.45	1,177.20
19	75A/W Soft White 4/Sleev	1,344	0.85	1,142.40
20	75R30/Fl Indoor Floodlig	240	3.75	900.00

POWER TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	7308 7¼ in Circ Saw	192	37.99	7,294.08
2	7504 Jig Saw	425	14.99	6,370.75
3	HP535 5 Gal Jet Vac Wet/D	48	69.99	3,359.52
4	7404 Finishing Sander	99	21.99	2,177.08
5	7300 5½ in B&D Saw	65	27.99	1,819.35
6	P30 Pedestal Sump Pump 1	19	89.99	1,709.81
7	7190 ⅜ in VSR Drill	40	29.99	1,199.60
8	7104 ⅜ in Drill	62	16.99	1,053.38
9	PR 19 18 in Belt Sander BL	17	59.99	1,019.83
10	U16 Utility Sump Pump	17	59.99	1,019.83
11	58099 2½ in Conversion	50	17.99	899.50
12	58073 1¼x6 ft Repl Hos	132	5.59	737.88
13	HP1030 10 Gal Jet Vac Wet	8	89.99	719.92
14	58081 Cartridge Filter	150	4.59	688.50
15	58078 1¼ in Crevice TO	126	2.39	301.14
16	7580 VS Jig Saw ⅓ HP V	10	27.99	279.90
17	58067 1¼ in Round Brus	138	1.89	260.82
18	21C Wen Pencil Engraving	30	8.49	254.70
19	58071 1¼ in UPH Nozzle	132	1.89	249.48
20	58057 1¼ in Ext Wands	88	2.39	210.32

(Continued on page 38)

Outdoor Power Gear Shipments Go Up 4.7%

WASHINGTON—Manufacturers' unit shipments of outdoor power equipment increased 4.7% in the eight months ended April 30, 1980.

However, that figure is not expected to change much by Aug. 31, according to a spokesman for the Outdoor Power Equipment Institute, who pointed out that shipments peak in April and then are little more than a trickle in the final months of the year. (Years are measured according to manufacturers' shipping season: September to September.)

A breakout of the data showed that walk-behind mower shipments were up 4.5% to about 4.5 million units compared to a 6.7% increase to 4.3 million in 1978-79.

Lawn tractor and riding mower shipments increased only 3.6% to 643,000.

Front-engine model shipments increased 4.3% to 386,000 from 370,500 units the previous year.

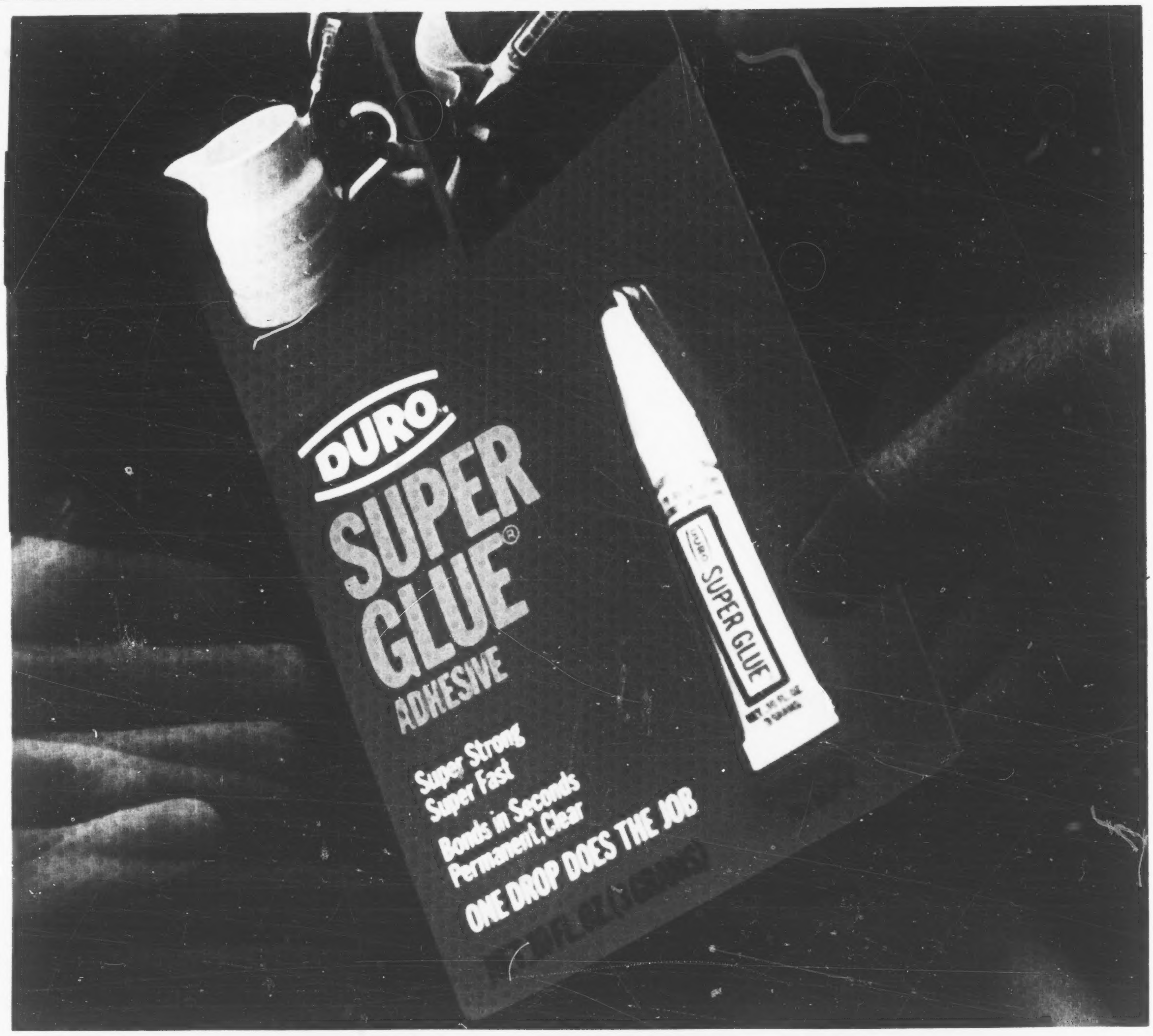
Garden tractor movement, which increased moderately in recent years, decreased 3.3% to 178,500 units from the previous year's 184,600.

Rotary tiller shipments experienced the only substantial increase—up 11% to 530,000 units. Last year the category showed a 0.6% decline with only 478,000 units shipped.

The institute spokesman stressed the figures were estimates, but added: "The industry is in the middle of a severe recession that was helped along by last winter's snow-blower disaster." He was referring to the virtually snow-less season which forced retailers to carry over seasonal goods.

Then manufacturers made deals with retailers who otherwise could not have been able to afford to buy spring inventories.

But spring was either unseasonably dry or wet in most parts of the country, he said, bad news for power lawn and garden equipment purveyors.



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Your customers prefer Duro Super Glue adhesive. And, this year we will reinforce that preference with a tough, persuasive television program, dealer tagged, in the major U.S. markets. And national advertising in Good Housekeeping.

Give your customers what they want…the original…Duro Super Glue adhesive. And get what you want…bigger glue profits. Ask your Woodhill Permatex representative to show you his Audits and Surveys proof. Or call toll free 1-800-321-9188.

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Hardware Show Section

Discount Store News

PMA

PRODUCT MOVEMENT AUDIT

Stay-at-Homes

(Continued from page 37)

did attract retailer attention during the month was padlocks. Sales of those items, which historically begin to build during this period, accounted for more than half of the unit movement shown on the entire security hardware PMA. Demand for these bike and school-locker padlocks should die down again later in the summer.

There is an indication that plastic plumbing materials are coming on better than galvanized ones, although consumers are still showing some resistance to plastic. The products are cheap, flexible and less shrouded by mystique than other forms of plumbing materials.

In electrical items, the 100-

(Continued on page 39)

Schottenstein's Converts Last 2 Of 7 Mason's

COLUMBUS, Ohio—Schottenstein's at presstime completed its conversion of seven former Mason's by opening Value City stores in two ex-Mason's in Erie, Pa.

The move boosted the Value City count to 22 stores, with a 120,000-sq.-ft. unit planned for next year in Columbus that will give the chain three units in its home base.

Schottenstein's also operates a Concord City store in Dayton, Ohio, an Elyria City unit in Elyria, Ohio, and leased ladies' and men's wear departments in the two remaining Valley Fair units in New Jersey in Irvington and Little Ferry.

The conversion of the 70,000-sq.-ft. and 55,000-sq.-ft. Mason's in Erie followed the remake of the 72,000-sq.-ft. Mason's in Johnstown, Pa., in early July and the 70,000-sq.-ft. Mason's in Newburgh, N.Y., in June.

Schottenstein's last year acquired Mason's parent, M. H. Fishman, which was in Chapter XI, and proceeded to sell the Fishman variety stores and 16 of the 23 Mason's discount stores.

The other Mason's converted to Value City are in Ottawa, Ill., Hanover, Pa., and Danville, Va.

The conversions involved more than 500,000 sq. ft. of space and resulted in installation of the Value City layout, which features a 70% soft goods to 30% hard lines mix. Apparel is spotted in the center of the store and on either the right or left side, with hard lines in the remaining perimeter area.

Two Value City stores are due to be refurbished this year.

HARDWARE

(Continued from page 37)

HAND TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	28499A Knife w/Retract B	846	3.49	2,952.54
2	Y25 ¾x25 ft Yel Mexurlo	188	12.49	2,348.12
3	X46 6 ft Wood Extension R	226	8.99	2,031.74
4	T50 Staple Gun Tacker	93	19.99	1,859.07
5	JT 21 Junior Staple Gun	179	9.99	1,788.21
6	C55 5 Blades Nest of Saw	174	9.99	1,738.26
7	8 in Adj. Angle Wrench 8	270	5.99	1,617.30
8	5 pc Comb Wrench Set	324	4.99	1,616.76
9	HK18 18 pc Hex Key Wrench	540	2.99	1,614.40
10	1474 6 pc O/E Wrench Set	260	5.99	1,557.40
11	ST1 ½A 16 oz Rip Stlmst	124	12.49	1,548.76
12	Sngl Bit Axe 32 in Hndl	90	16.99	1,529.10
13	Half Hatchet Plumb 2962	92	15.99	1,471.08
14	X226 6 ft Folding Wood Ex	144	9.99	1,438.56
15	H1 ½ 16 oz Claw Steel	144	9.99	1,438.56
16	PL12 12 ft Powerlock Tape	198	6.99	1,384.02
17	7218 16 oz Stl Claw Hamme	198	6.99	1,384.02
18	1374 6 pc Comb Wrench Set	208	6.49	1,349.92
19	299 Utility Knife w/Blade	678	1.99	1,349.22
20	1373 6 pc Mtrc Comb Wrnchs	175	7.49	1,310.75

HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	ST 15 Mailbox RFD 1½ G	199	14.99	2,983.01
2	2 in x 10 yd Duct Cloth	1,584	1.29	2,043.36
3	ST10 Mailbox RFD 1 Galv	248	6.79	1,683.92
4	HC571A3 Coat/Hat Hook 31	1,080	1.29	1,393.20
5	RK10 RFD 1 Mailbox Kit	63	21.99	1,385.37
6	BP40 Appliance Dolly	288	4.49	1,293.12
7	Grey Shelf Brackets 10x1	1,296	0.99	1,283.04
8	AL10 Mailbox RFD 1 Alumi	105	10.99	1,153.95
9	ST10B Mailbox RFD 1 Blac	158	7.29	1,151.82
10	8BL 5x7 in Shelf Brkt Pr	324	3.49	1,130.76
11	Shelf Bracket 8x10 Gray	1,632	0.69	1,126.08
12	MPX Mouse Traps Twin-Pac	1,260	0.89	1,121.40
13	Thumb Tacks White Head	3,072	0.34	1,044.48
14	B701 4 yd Carpetak Cloth	660	1.49	983.40
15	Child Safety Latch	324	2.89	936.36
16	MM2 96 pc 1 in Letters & N	840	0.99	931.60
17	SK980AC Pushbutton latch	116	7.59	880.44
18	507 8 in Bracket Walnut	588	1.49	876.12
19	Brown Cork Board 12x24 8	293	2.99	876.07
20	512 10 in Bracket Walnut	516	1.69	872.04

GLUES, LUBRICANTS AND ADHESIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	G200BX Krazy Glue 2 Gram	6,780	1.59	10,780.20
2	NO910 Eastman Adhesive	1,644	1.79	2,942.76
3	GM1 Gluematic Pen	744	3.79	2,819.76
4	SUP1 Super Glue 3 Gram TU	984	1.69	1,662.96
5	Gripper Super Glue SGH	1,627	0.99	1,610.73
6	401 6 oz Acrylic Caulk Wh	708	1.89	1,338.12
7	Weldit Cement 1½ oz	960	1.19	1,142.40
8	Tub Seal GE 2561 71D	370	2.99	1,106.30
9	Clear Seal GE 2562 01DP	360	2.99	1,076.40
10	8596 ¼ lb Can Plas Wood	756	1.29	975.24
11	500 Gen Purpose Glue 14	614	1.49	929.76
12	WD-40 9 oz Can Lubricant	372	2.39	889.08
13	G20013 Foxy Poxy Epoxy G	420	1.79	751.80
14	700 Electric Glue Gun U	70	9.99	699.30

(Continued on page 39)

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LOCTITE
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NO MIX Adhesive
• Out-performs ordinary glues
• Works on oily and porous surfaces
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DEPEND

New Duro™ Depend® is the newest concept in adhesives. A solution to many of the problems that keep 40 million potential customers out of the glue market. Add new Depend to your line, tap that vast new market, and increase your glue sales. Depend out-performs ordinary glues in seven important ways.

Hardware Show Section

HARDWARE

(Continued from page 38)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
15	2902 Instant Vinyl	360	1.89	680.40
16	TPX5 E-Pox-E Glue Clear 3	396	1.69	669.24
17	PR1 Plastic Rubber Black	420	1.59	667.80
18	LS1 Liquid Steel Filler	444	1.49	661.56
19	8597 1 lb Can Plastic Woo	216	2.99	645.84
20	E810 Contact Cement 1 oz	708	0.89	630.12

LAWN & GARDEN

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	9535 DLX Pulsat Spike SP	1,980	13.99	27,700.20
2	1834 ½ gal Ortho-Klor 4	894	21.99	19,659.06
3	5001 Jobes Houseplant SP	15,606	0.99	15,449.94
4	69 Oscillating Sprkler 2	612	11.99	7,337.88
5	3630 Ton/Veg Dust 10 02	1,452	3.99	5,793.48
6	2561 1 lb Diazinon Soil D	1,548	3.49	5,402.52
7	8 PS Quick-Fix Hose Mende	2,980	1.59	4,738.20
8	1761 1 pt Diazinon	576	7.29	4,199.04
9	400C Stop-N-Flo Hose Val	840	4.59	3,855.60
10	313S Y Shut Off Coupling	1,450	2.39	3,465.50
11	1100 Hornet/Wast Jet Spr	840	3.99	3,351.60
12	⅝ x 50 ft Nylon Reinfc	342	7.99	2,732.58
13	⅝ x 50 ft Hi Pres Rubb	264	9.99	2,637.36
14	302G 3 gal Spray-Doc Spr	100	24.99	2,499.00
15	½ x 50 ft 100 Vinyl	610	3.99	2,433.90
16	152G 1½ gal Spray Doc	100	22.99	2,299.00
17	½ x 50 ft Nylon Reinfc	366	5.99	2,192.34
18	⅝ x 50 ft 4 Ply All Weat	240	7.99	1,917.60
19	850 Dial A Matic 2 Arm S	132	11.99	1,582.68
20	505S Brass Hose Nozzle	570	2.39	1,362.30

SECURITY HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Entry Lock Set SunrayBR	379	13.99	5,302.21
2	1500D Combination Padloc	1,260	3.49	4,397.40
3	7D 1 in Laminated Padlock	564	4.29	2,419.56
4	LW5 Entrance Lock Set BR	160	3.49	2,398.40
5	1301 Rim Night Latch	366	6.29	2,302.14
6	1302 DBL CYL Deadlock	198	10.99	2,176.02
7	Entry Lockset Impresa AN	143	14.49	2,072.07
8	1303 Sing Cyl Deadlock	216	8.49	1,833.84
9	500D 1.75 in Warded Lam P	720	2.49	1,792.80
10	Entry Lockset Eleganti	119	14.49	1,724.31
11	Deadbolt Dble Cylinder B	90	16.99	1,529.10
12	22D 1.5 in Warded Lam Pad	660	1.99	1,313.40
13	1315 Rim Repl Cylinder	400	2.79	1,116.00
14	906 1½ in Padlock Bras	430	2.59	1,113.70
15	Deadbolt Sngl Cylinder B	81	12.49	1,011.69
16	BD1690 45MM Comb Padlock	456	2.19	998.64
17	1½ in Lam Padlock	384	2.59	994.56
18	SK28 Chain-Dor-Loc w/Key	149	6.49	967.01
19	10D 1 in Warded Lam Padlock	588	1.49	876.12
20	BL592 1⅝ in Die Cast P	588	1.49	876.12

Source: Hardware Distributors Inc.

DIY Is a Rising Star at Gibson's

SEAGOVILLE, Tex.—The do-it-yourself trend has become a tidal wave at Gibson's.

Sales of electrical items now account for an average of $60,000 of each store's annual sales—a figure that is rising 25% each year, according to a chain buyer.

Plumbing sales, which last year accounted for $25,000, are rising at the rate of 10% a year.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Stay-at-Homes

(Continued from page 38)

ft. extension cord outsold the 50-ft. cord as the outdoor season exerted its influence on movement. Sales of these items will be eclipsed later in the year by roof cables and heating tapes, historically strong fall sellers.

Mailboxes also had a good month, holding five of eight top slots on the hardware PMA, evidence once again of springtime consumer interest in fixing up the house.

Smoke Alarms

(Continued from page 36)

$6.88 after the rebate—and there was no real rush."

The same is true in Arkansas, Florida and downtown Chicago.

Zeno Smith, a Magic Mart buyer, said the item had fallen from meteoric heights and become a department staple, while Larry Shapiro said the item had never done well in Florida.

"There are few two-story homes or homes with basements here," the Gold Triangle, divisional merchandise manager said. "We carry two or three sku's, but business is just so-so. It hasn't been a big item in years."

Fear Strikes Out

Fear of fires in the home doesn't seem to keep smoke alarm sales steady at Community Family Centers, in Chicago.

"Sometimes, if the media really play up a big fire we'll see sales start to move, but otherwise our customers have virtually no interest in the category," reported Sam Falato, a buyer for the eight-store chain.

"We've even tried selling them at prices below cost, and in combination deals with fire extinguishers," said a perplexed Falato, "but they just bomb."

Ellman's Year: Biz Up, Net Flat

ATLANTA—Ellman's reported an 11.2% fiscal-year sales gain but flat earnings from its six catalog showrooms.

Sales in the year ended May 3 hit $56,432,000, up $5,681,000 from the $50,750,757 reported for the previous fiscal year.

Net income of $1,326,000 was down 0.9% or $13,000 from $1,338,828 produced in the prior fiscal year.

The cataloger is due to open its seventh showroom this fall. It will be its fifth in the Greater Atlanta market; other units are in Charlotte and Greensboro, N.C.

1. Works on oily or dirty surfaces.
New Duro Depend lets your customers make permanent repairs without elaborate surface preparation. Even if the surfaces to be glued are porous, oily, dirty or contain small gaps. And once set, Depend bonds are water-resistant. So it has hundreds of applications both outside and in.

2. Ultra-strong.
Depend delivers very strong, permanent bonds on wood, metals, tough-to-bond plastics and nearly every other household material.

3. Bonds in 60 seconds.
Cure doesn't begin until parts are assembled. Then Depend sets to holding strength four times faster than epoxies. Without clamps.

4. No mixing.
Brush Duro Depend activator on one surface. Then use the easy-to-handle syringe to apply the adhesive to the other. No measuring.

5. No waste.
You dispense just the amount of Depend you need.

6. No mess.
No mixing tools. Nothing left over to clean up. The Depend syringe and non-spill activator bottle make application neat and easy. Comes complete with handy storage tray.

7. Sticks in customers' minds.
Depend will get the kind of advertising support a revolutionary new glue deserves: 236,812,160 adult advertising impressions ■ High-Impact network TV, all three networks ■ Spot TV tagged with your name ■ Two-page *TV Guide* ad with cents-off coupon ■ *Sports Illustrated, Good Housekeeping,* and *Reader's Digest* ■ Publicity, demonstrations, trial sizes ■ Free take-one brochures ■ Striking POP to make the Duro Depend story stick. Just ask your Duro representative or call SAM at 1-800-321-9188 for more information.

Woodhill Permatex
a Loctite Corporation division
[illegible]

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Hardware Show Section

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Bug Killers And Tool Kits Buck Economy

By Don Petti
President,
Stem Distributing

There were no runaway best sellers this year. The most noticeable trend is that retailers are stepping up promotional product purchases and using sharp pricing to build store traffic. The downturn in the economy has made itself felt both in our business and in the business of our retail customers.

On the bright side, we have found that our customers, anticipating a sales decline last year, bought seasonal goods conservatively and are ending up with respectable (lawn & garden) inventory positions.

In lawn & garden, bug killers sold well. Admittedly, many retailers buy this product direct but we did sell nearly 200 of the item, in a 30-day period, indicating strong retailer interest in a fairly high-ticket item.

Seasonal promoting boosted Biltrite's all-vinyl hose to the top of the list, followed closely by Toro's 51225 Trimmer/Weeder at $28.85 and step-up model at $60. Raid's outdoor Fogger, another seasonal (promotional) favorite also ranked high on the lawn & garden list.

Father's Day promotions built traffic in hardware de-

(Continued on page 49)

HARDWARE

These hardware PMA figures are for the four weeks ended June 20, 1980. They were supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio, and cover 600 stores, including 480 discount department stores, in 35 states. Average retail prices listed reflect typical price points for discount clients.

PAINT

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1501 Borden Krylon Gloss Wht 1302	1,548	2.57	3,978.36
2	2766/7792 Rust Gloss Wht 1302	906	3.15	2,853.90
3	2766/7792 Rust Gloss Whit Qt	462	5.21	2,407.02
4	634/7779 Rust Gloss Bl 1302	744	3.15	2,343.60
5	634/7779 Rust Gloss Bl Qt	432	5.21	2,250.72
6	88 Defthane Clr Poly Gloss Gal	120	18.28	2,193.60
7	1601 Borden Krylon Gloss Bl 1302	840	2.54	2,133.60
8	1613 Borden Krylon Semi-Flat Bl	744	2.54	1,889.76
9	2764/7790 Rust Matte Wh Qt	348	5.21	1,813.08
10	1502 Borden Krylon Flat Wh	696	2.54	1,767.84

POWER TOOLS & ACCESSORIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	943 Wen 7" Sander Polisher	76	59.81	4,550.12
2	820 Opk Weller 100/140W Soldergun	143	24.22	3,463.44
3	T6601-16 McGraw Ed. 5' Bench Grinder	71	43.89	3,116.19
4	CD 13 PH Allied Drill St. H/S	352	8.79	3,094.08
5	2002 Skil 3/8 Cordless Drill	73	42.11	3,074.03
6	599 Skil Var/Rev Xtra Tool	38	79.77	3,031.26
7	T6742-16 McGraw Ed. 1/2 Drill Press	25	109.78	2,744.50
8	MD545 Skok 1/2 Mason Bit	1,090	2.05	2,234.50
9	919 Wen 3" Belt Sander	32	61.55	1,969.60
10	70232 Hanson 1/2 H/S Bit	350	5.46	1,911.00
11	574 Skil 7 1/2 Circ Saw	24	73.61	1,766.64
12	16 Lenk 25 W Solder. Iron	283	6.23	1,763.09
13	N2336 Wen Power Tool Task Force	17	101.01	1,717.17
14	593 Skil Sand Cat Sander	25	67.48	1,687.00
15	7771 3M Clean/Strip Brush	430	3.89	1,672.70
16	MD245 Skok 1/2 Mason Bit	1,430	3.41	1,636.80
17	1400 Arco Whizz-Disco W/Pad	480	3.41	1,636.80
18	720 Arco Power Screw Driver Bits	370	4.36	1,613.20
19	1200 Pro-Arc Welder	9	169.94	1,529.46
20	9152 3M 5" Pro & Disc Sand	1,260	1.17	1,474.20

HOME IMPROVEMENT

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	G2420 Garbage Bag H. D. 26 Gal	11,328	2.42	27,413.76
2	36"/736 Screen Wire Alum. 7'	1,498	4.29	6,426.42
3	6' Alum Stepladder Household	152	38.73	5,886.96
4	6 ' Wood Stepladder Special	220	25.69	5,651.80
5	48"/848 Fiberglass Screening 7'	1,312	4.06	5,326.72
6	40061-36-9 Peer Chain Twlp	92	54.36	5,001.12
7	28"/728 Screen Wire Alum 6'	1,364	3.01	4,105.64
8	16' Alum Ext. Ladder	69	57.47	3,966.43
9	5' Wood Step Ladder Special	164	22.26	3,672.90
10	24"/724 Screen Wire Alum 6' 4"	1,390	2.56	3,558.40
11	40303-36-4 Peer Chain Proof	23	146.21	3,362.83
12	Sr-2 Elgar Spline Tool	2,890	1.16	3,352.40
13	36"/836 Fiberglass Screening 7'	1,024	3.16	3,235.84
14	400 50-36-1 Peer Chain Stlk	46	66.15	3,042.90
15	40301-36-9 Peer Chain Prf	28	108.03	3,024.84
16	050/17000 Clear Vinyl Runner 27X175	26	115.87	3,012.62
17	40302-36-1 Peer Chain Prf 1/4	21	136.38	2,863.98
18	30"/730 Screen Wire Alum 6' 4"	834	3.22	2,685.48
19	0013 Kindergard Safety Latch Pk	1,301	1.87	2,432.87
20	40048-36-7 Peer Chain Stink	49	48.39	2,371.11

(Continued on page 49)

Calendar Of Events

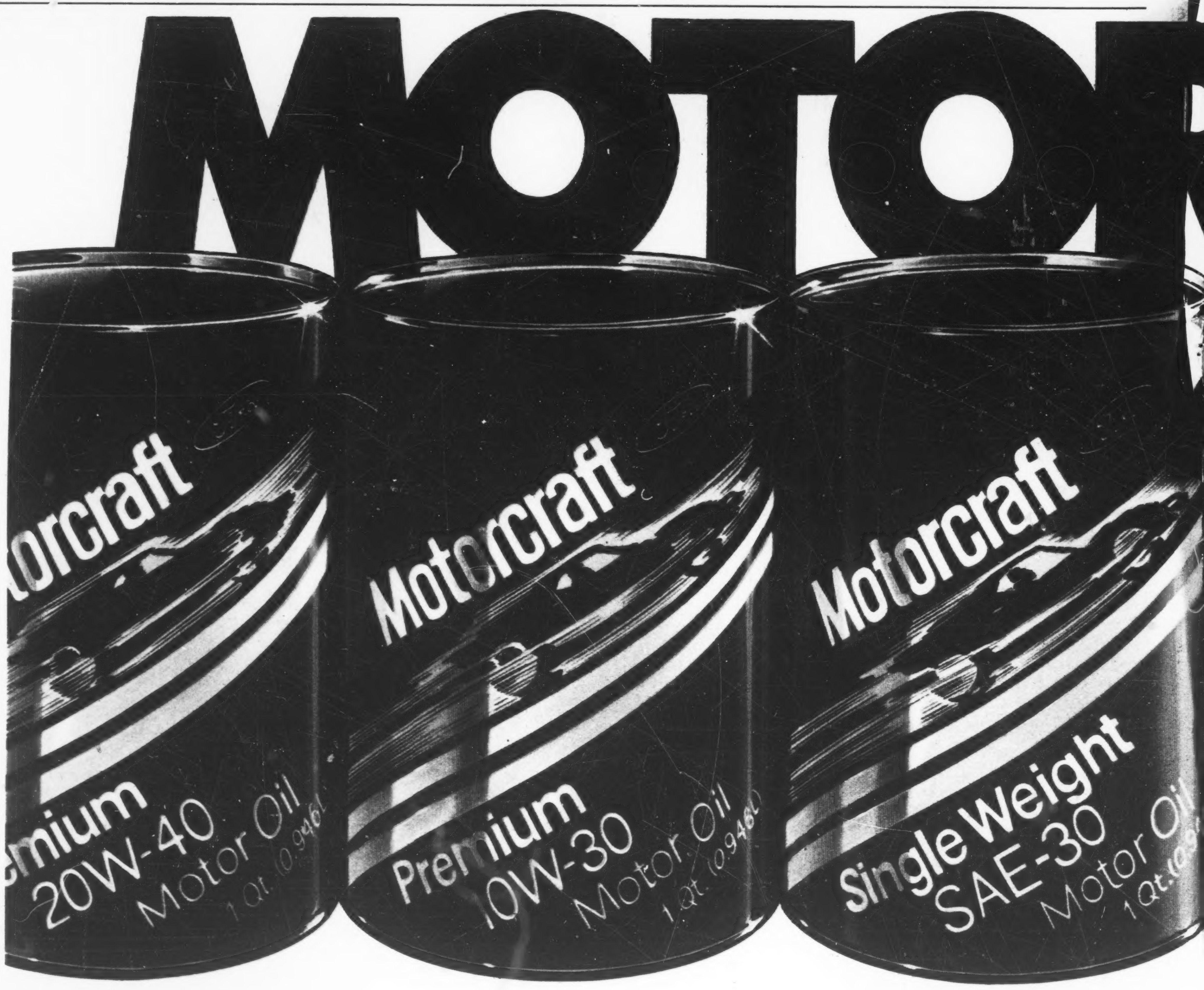
National Hardware Show
McCormick Place, Chicago, Aug. 10-14

National Mass Retailing Institute's Loss Prevention Conference
Dutch Inn, Lake Buena Vista, Fla., Sept. 3-5

Sporting Goods International Show
New York Coliseum, New York, Sept. 27-30

Automotive Parts and Accessories Association
Georgia World Congress Center, Atlanta, Nov. 1-3

National Mass Retailing Institute's Financial Conference
Fairmont Hotel, Philadelphia, Nov. 17-19


MOTOR
Motorcraft
Premium 20W-40 Motor Oil 1 Qt. (0.946 l)
Motorcraft
Premium 10W-30 Motor Oil 1 Qt. (0.946 l)
Motorcraft
Single Weight SAE-30 Motor Oil 1 Qt.

(Psssst...wanna get

Come a little closer and read a little more. Motorcraft is not only announcing a new line of motor oil and automatic transmission fluid, we've got what just might be the best deal you have ever seen to help move these products.

WE'LL GIVE YOU A $1.20 PER CASE ADVERTISING ALLOWANCE. Not bad, huh? It's a special introductory co-op offer that expires August 31, 1980. So you've got to act fast. Plus we'll cover 100% of your space and time costs for all Motorcraft Oil and Automatic Transmission Fluid advertising through the end of the year (up to the limit of the co-op advertising fund).

WE'LL GIVE YOU FREE OIL FILTERS. What an opportunity! Order new Motorcraft Oil and Automatic Transmission Fluid before August 31, 1980, and get our popular Motorcraft FL-1A Oil Filter absolutely free. If you prefer, a special discount plan is available.

WE'LL GIVE YOU FREE SALES AIDS. Every order of Motorcraft Oil and Automatic Transmission Fluid entitles you to free P.O.P. materials, including posters, shelf talkers, can toppers and case cards.

Hardware Show Section

HARDWARE

(Continued from page 48)

LAWN & GARDEN

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	5400 A/Biltrite ½X50 All Vinyl	8,632	3.09	26,672.88
2	51225 Toro Trimmer/Weeder	393	28.85	11,338.05
3	1601 Raid Outdoor Fogger	2,376	3.81	9,052.56
4	51550 Toro Trimmer/Weeder	142	60.61	8,606.62
5	301-301 Amcor Electric Bug Killer	187	42.03	7,859.61
6	51325 Toro Trimmer/Weeder	112	56.70	7,350.40
7	473-C Gilmour Large Zinc Nozzle	2,916	2.13	7,211.08
8	239 Marvin 8" screen Fan	336	19.39	6,515.04
9	SG 6 Temper Hoe	1,416	4.54	6,428.64
10	61 Melnor Rain OSC Sprinkler	1,200	5.14	6,168.00
11	9300 Vil/Blk Grass Trimmer Nyl	325	17.36	5,642.00
12	51250 Toro Trimmer Weeder	127	42.91	5,449.57
13	500-50 Color ½ Vinyl 2-ply Hose	1,480	3.57	5,283.60
14	SL22 Tempr Spring Back Leaf Rack	804	6.51	5,234.04
15	51180 Toro 50' Hose/Reel System	147	34.90	5,130.30
16	1180XS Fletcher Wire 10x18 Fold Fence	1,905	2.67	5,086.35
17	3000 Allen Clothes Dryer Outside	157	30.16	4,735.12
18	1837 Marvin Galv-Screen 18x22	1,296	3.65	4,730.40
19	SSH Temp Gardn Spade D Handle	654	7.15	4,676.10
20	SLR Temp R L & Handle Rnd Pt Shove	738	5.92	4,368.96

HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	LWI Yale Lockset Boxed	900	13.00	11,700.00
2	LW5 Yale Lockset Boxed	887	13.00	11,531.00
3	105C SB Stormking Doorcloser	1,680	5.39	9,055.20
4	SK950 Sec. Pushbutton Latch	650	6.91	4,491.50
5	SK600 Sec. Knob Latch Clos.	7.0	6.27	4,451.70
6	SK15 Sec. Storm Dr. Latch	650	6.27	4,075.50
7	SK 125 Sec. Adjust Hyd Door Clos.	530	7.65	4,054.50
8	SK 85 Sec. Adjust Door Close	780	5.15	4,017.00
9	SK355 Sec. Adjust Door Close	500	7.65	3,825.00
10	1500D Master Padlock Com 6	1,068	3.19	3,406.92
11	500D Master Padlock warded	1,488	2.28	3,392.64
12	1-1 Galv s/City Rual Mail Box	606	5.48	3,320.88
13	SK 125 AC Sec Blk Adjust Hyd Dr. 4	390	7.65	2,983.50
14	A80CG Taylor Night Latch	485	6.11	2,963.35
15	V80 Yale Tumbler-Spring Catch	307	9.14	2,805.98
16	SK90 Sec. Colonial Pushbut Latch	390	7.14	2,784.60
17	30 Master Padlock Tumbler	489	4.94	2,415.66
18	22D Master Padlock Warded	1,260	1.82	2,293.20
19	SK34 Sec Locking Hasp 4½	350	6.27	2,194.50
20	100 Common Nails 1 lb Box	2,350	0.93	2,185.50

PLUMBING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2125 Keystone Portable Add-A-Shower	365	20.93	7,639.45
2	88TM White Al/Amer Wood Toilet Seat	450	8.05	3,622.25
3	P.M. 3600 Flo Plstic Pump-Pedestal	46	72.49	3,334.08
4	PC 3600 Flo Cast Iron Pump-Pedestal	28	81.01	2,268.28
5	767 U-Plm J-Bend 1½ Chrome	342	5.27	1,802.34
6	766 U-Plm J-Bend 1¼ Chrome	342	4.80	1,641.60
7	SM3000 Flo-Plst Pump-Submersbl	16	102.34	1,637.44
8	760 U-Plm P-Trap 1¼ Bathroom	228	7.02	1,600.56
9	SC3000 Flo Cast Iron Pump-Submrs	13	110.81	1,440.53
10	DMP21HK Flotec Drill Pump	198	7.07	1,399.86
11	B100 Manco Duct Tape 2" x 10 yd	612	2.26	1,383.12
12	102 U-Plm Lav, Supply Tubes 20"	336	4.03	1,354.08
13	50490 Oatey 50/50 SW Soldr. ½16.	204	6.55	1,336.20

(Continued on page 50)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Bug Killers

(Continued from page 48)

partments; the tool kits that historically perform well then and at Christmas continued to pull their weight.

The Ajax Home Rivet Tool, Kennedy General Usage Kit and Spitfire Home Repair Kit all landed in the top 20 as a result of holiday sales.

Sales of the Bernz TX9 Fuel Cylinder, last year's category leader, dropped from almost 6,000 units during the same period last year to 3,700 this year, putting the item into second place in this year's listing.

Black & Decker products did well.

We have not had a problem getting distribution from B & D and as a result have had

(Continued on page 50)

9-Mo. Pretax Loss Is Cut by FedMart

SAN DIEGO—FedMart's sales for the first three quarters of its fiscal year, ended May 11, 1980, totaled $733.8 million, an increase of 9.6% over the $669.8 million reported in the comparable period a year earlier.

The chain lost $2.1 million (pretax) and $1.6 million (aftertax) for the 36-week period. Its pretax loss was more than $23 million the year before.

Sales for the third quarter increased 3.1% to $237.7 million compared to $230.5 million in the third quarter of the previous year.

FedMart reported a small gain in soft lines sales, reaching 10.3% of total volume for the first three quarters of the latest fiscal year, compared to 9.9% of sales in the previous fiscal year.

Two Future Targets Include First in La.

MINNEAPOLIS—Target has broken ground for two new stores—one in the Houston area and one in Lafayette, La.

The latter will mark the chain's Louisiana debut and is an example of a new expansion policy aimed at medium-sized markets.

Each store will be 100,000 sq. ft. and is scheduled to open in the spring of 1981.

K mart Plans Two

TROY, Mich.—K mart will open, early in 1981, in an old Clarkins store (now closed) at Euclid Avenue and Richmond Road, Euclid, Ohio, and in a strip center now under construction at Garfield and 19 Mile Road, Clinton Township, Mich.

A Kroger superstore will coanchor the shopping center.

RCRAFT
Motorcraft
Super Premium
10W-40
Motor Oil
1 Qt.
Motorcraft
DEXRON-II ATF
Automatic Transmission Fluid
1 Qt.
Motorcraft
Ford Type F
1 Qt.

in on a big oil deal?)

On top of all that, you qualify for free oil six-packs, fender covers, hats, jackets, specialty advertising items, P.O.P. materials and more—based on oil and ATF purchases during 1980.

WE'LL GIVE YOU AN OIL WITH THE HIGHEST RATING OF ANY OIL YOU CAN BUY—"SF." No oil has a higher rating than Motorcraft Oil—as defined by the American Petroleum Institute service classification for gasoline engine oils. It's quality protection. The kind of protection car owners need to meet the operating requirements of today's engines. And you can help them get it now.

WE'LL GIVE YOU NATIONAL ADVERTISING SUPPORT. Like all Motorcraft products, our new line of oil is receiving extensive national advertising support. Perhaps you've seen or heard our commercials on television and radio.

The Motorcraft Oil deal is big. And the sales potential can be even bigger. Contact your Motorcraft supplier. Or call us toll-free at 1-800-521-4114. In Michigan, call 1-800-482-4102. We'll help you get in on a big oil deal.

Motorcraft Ford

...FOR SURE

Hardware Show Section

Discount Store News

PMA

PRODUCT MOVEMENT AUDIT

Bug Killers

(Continued from page 49)

product for our customers. It may be we have not had a problem getting supplies because of variables like the softening in the economy or because demand is down in other quarters, but our orders—based on sales projections—were filled.

Top sellers in this category were the ⅜-in. variable speed drill, the 71-055 drill guide and the 27-in. dual height Workmate.

One product area, however, where sales were considerably off was security hardware.

While Yale's boxed locksets, the LW1 and LW5, continued to lead the security hardware category (called home improvement last year) movement dropped sharply, amounting to $11,700 and $11,531, respectively. Master's 500D warded padlock dropped from fourth to 11th place with only 1,488 units sold.

Plastic Parts Elbow Further Into Plumbing

Nationwide DSN Report

Discounters are following an increasing number of consumers who are leaning away from metal and discovering the advantages of plastic parts for use in plumbing.

In the last year, major chains such as Zayre and Pamida have either introduced or substantially increased the percentage of plastic parts in their plumbing supplies mix.

Woolco, for example, reported that the percentage of plastic parts is up to 65% and still growing.

More Chains May Join Up

Meanwhile, even major chains that have thus far stayed away from plastic parts—discounters such as Rose's, Gibson and others—say they may change their mix in favor of plastic as early as next year if they are impressed with what they see at the hardware show.

The only exception to the trend toward plastic, however, appears to be sink faucets, which are priced about 10% less than the metal ones. Many dealers say they are interested in stocking them; but buyers at Woolco, Gibson's and Pamida say they are concerned about possible public resistance to parts that have traditionally been made of metal and are holding off for the time being.

One of the chief advantages to the plastic pipes, elbows and other parts, buyers said, is their price. Chains have re-

(Continued on page 51)

HARDWARE

(Continued from page 49)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
14	5102 Nasco Master Plumber qt	996	1.31	1,304.76
15	U-Plm Toilet Ballcock Complete	240	4.83	1,159.20
16	B600 Manco Duct Tape 2" X 60 yd	214	5.23	1,119.22
17	PB600 Flo Bronze Pump-Pedestal	9	115.12	1,036.08
18	8522-26-1 Perm Ch Towl Bar 24"	138	7.23	997.74
19	100 U-Plm Lav Supply Tubes—12"	360	2.73	982.80
20	F360-115 Volt Flotec Pump System	18	53.69	966.42

HAND TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	UL100 Bez Propane Blow Torch	1,284	10.13	13,006.92
2	TX9 Bernz Fuel Cyl	3,780	2.85	10,773.00
3	T50 Arrow Staple Gun Chrome	438	17.17	7,520.46
4	385-55-3 Ajax Home Rivet Tool	677	8.82	5,971.14
5	E20S Estwing 200Z Rp Hammer	320	15.28	4,889.60
6	Pl 312 Stan 12' Powerlok Tape	598	7.82	4,676.36
7	Jt 215 Bernz Torch Kit/Plstic Box	213	21.66	4,613.58
8	Pl 3⁄6 Stan 16' Powerlok Tape	453	9.84	4,457.52
9	K20 Kennedy Gen Usage Kit	150	28.22	4,233.00
10	99 Stan Utility Knife	1,572	2.67	4,197.24
11	Pl 425 Stanley Tape 25' Powerlok	326	12.59	4,104.34
12	Jt21 Arrow Staple Gun	440	8.80	3,872.00
13	35 Mlk T/Tempr 36" Sngl Bit AX	214	17.01	3,640.14
14	ET50 Arrow Electric Staple Gun	121	28.22	3,414.62
15	220D Stan 7" Adjust Block Plane	232	12.46	2,890.72
16	307-01 Spitfire Home Repair Kit	112	24.21	2,711.52
17	HI½A Stanley Hair 16-oz Rip	295	9.17	2,705.15
18	103G Bluebird 10" Strt Snipw	322	8.02	2,582.44
19	PL 12 Stan 12' Powerlok Tape	407	6.30	2,564.10
20	UN 483 Mays/Ev Gr Nk 48" Level	239	10.67	2,550.13

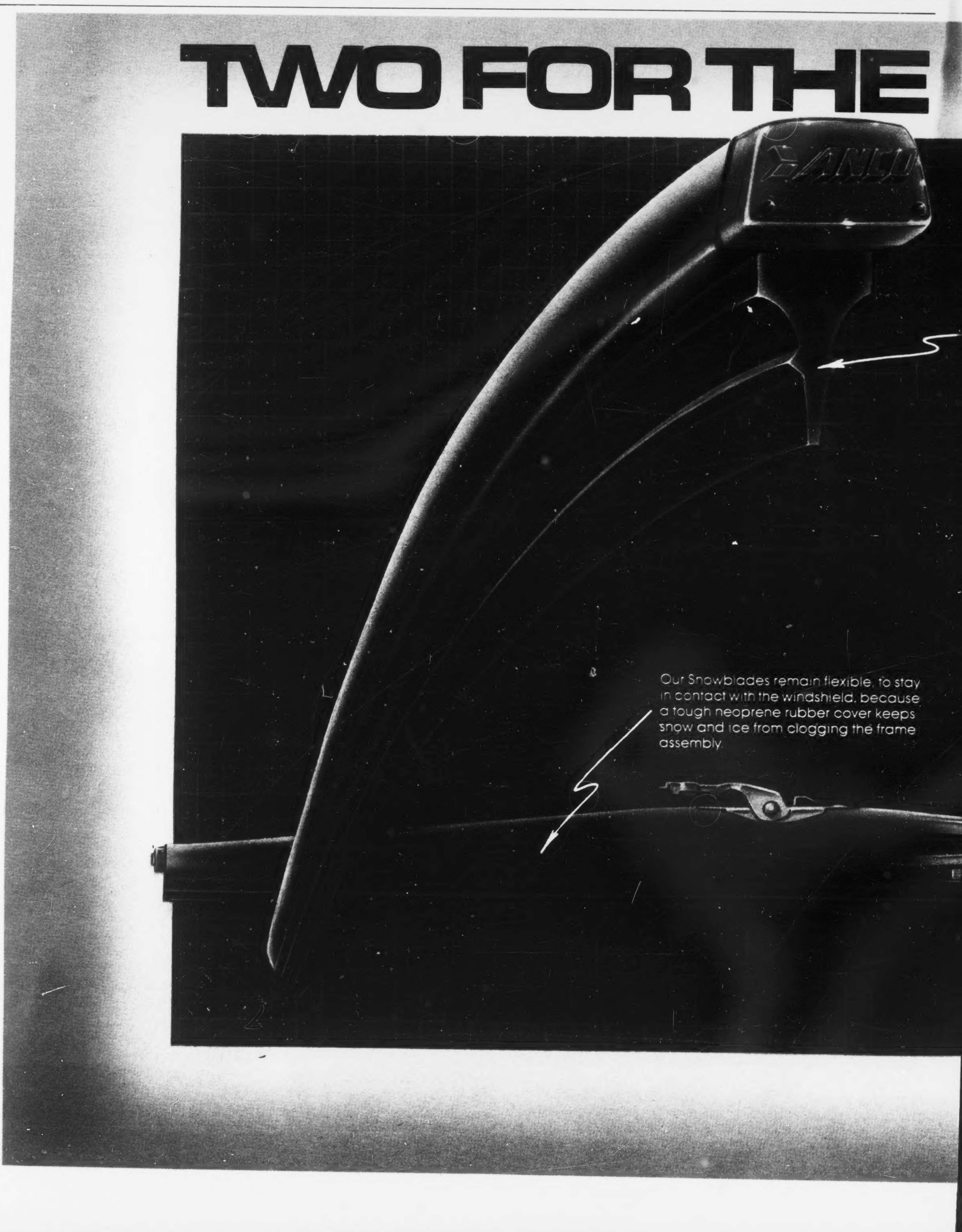
BLACK & DECKER

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	7127 ⅜ Var. Speed Drill	2,136	19.76	42,207.36
2	71-055 Drill Guide	1,430	10.01	14,314.30
3	79-009 Workmate 27" Dual Ht.	152	70.57	10,726.64
4	74 04 Sander D61/in	467	18.78	8,770.26
5	7504 Jig Saw D61/Ins	730	11.72	8,555.60
6	7380 7¼ Circ Saw	253	32.05	8,108.65
7	9330 Dust Buster	274	28.53	7,817.22
8	8283 Cordless Grass Shear	278	25.75	7,158.50
9	8124 Shrub Hedge Trim	217	32.39	7,006.93
10	7398 7¼ Circ. Saw	98	66.34	6,501.32
11	8114 13 DBL/Edg Shr/Hedg Trim	238	24.22	5,764.36
12	7390 ⅜ Drill V/S Rev-Lock	195	27.94	5,448.30
13	7035 ½ Drill V/S Rev Trade	122	44.11	5,393.62
14	7204 ½ Drill DBL/Insul	174	27.57	4,797.18
15	7300 5½ Circ Saw	187	24.92	4,660.04
16	79-003 Workmate Single Hgt	75	42.52	3,189.00
17	8216 Lawn Edger	46	50.27	2,312.42
18	7104 ⅜ Drill D6L/Insl.	144	14.59	2,100.95
19	8209 H/D Grass Trim Nylon Line	46	44.66	2,054.36
20	7530 Jigsaw 2 speed	104	18.51	1,925.04

PAINT ACCESSORIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4011 WD-40 Rust Prevent. 902	5,982	2.15	12,667.80
2	938-Tap-90 EZ 3 Pc Paint Set	3,780	2.54	9,601.20
3	MC11 Clear Maceo Multi Ad/Seal	2,688	3.26	8,762.88
4	584/PKI/PM10 Mask Tape ¾x60 yd	7,632	0.66	5,037.12
5	409-TTA-90 EZ 9" Twin Pak Covers	5,496	0.86	4,726.56
6	G322-40-73 EZ 4" Promo Brush	1,512	2.96	4,490.64
7	40015 WD40 Mult-Use Lub.	1,668	2.46	4,103.28
8	1304S/G 104-AO-73 EZ 4Pc Brush Set	2,160	1.83	3,952.80
9	Tex 105 Webster 9x12 Drp. Cloth	9,216	0.40	3,686.40

(Continued on page 51)



Our Snowblades remain flexible, to stay in contact with the windshield, because a tough neoprene rubber cover keeps snow and ice from clogging the frame assembly.

Hardware Show Section

HARDWARE

(Continued from page 50)

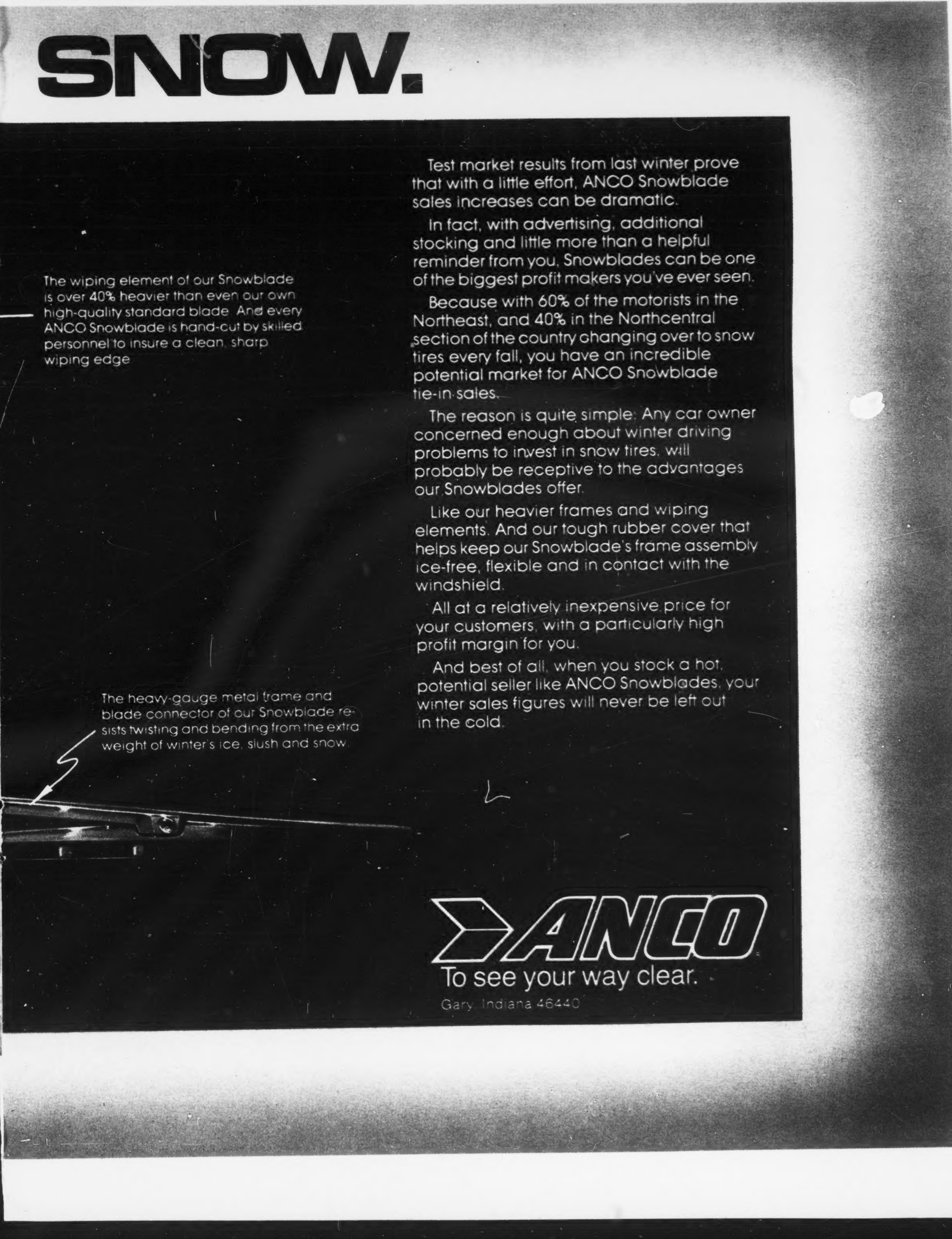
$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
10	P786/2061/330 11" Mask Tape	2,700	1.35	3,645.00
11	P786/2061/330 2" Mask Tape	1,344	2.69	3,615.36
12	P786/2061/330 1½" Mask Tape	1,776	2.01	3,569.76
13	01103 Savo PT/Remvr Paste Strypee	356	9.92	3,531.52
14	LN601S Amcco Liq. Nail Adh.	2,592	1.35	3,499.20
15	500-092 EZ 9" Roller Frame	1,416	2.00	2,832.00

ELECTRICAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3302-100' 16/3 Rd Cord-Ext/out	451	17.29	7,797.79
2	3327 25' 16/3 Rd Cord Ext/out	804	6.09	4,896.36
3	3101 100' 16/2 Rd Cord Ext/out	277	15.09	4,179.93
4	SLC 200 Elek-Pak Security Lite	138	25.22	3,480.36
5	U100 Aliance Tena-Roto Automt	51	60.01	3,060.51
6	D4101 Am/Tack Switchble Plate	8	284.78	2,278.24
7	DR600PC Lutr U1 Dimr Push on/off	350	6.13	2,145.50
8	03791 ABCO 7C7 Nite Lite	2,480	0.79	1,959.20
9	DR600RC Lutron U1 Rotary Dimmer	335	5.02	1,681.70
10	270-75' 16/3 Rd Cord Ext-out	105	15.19	1,594.95
11	P220 Manco ¾x66 Vinyl Elec Tape	1,056	1.44	1,520.64
12	4484/D225 25' Trbllite Pls Grd	226	6.44	1,455.44
13	100 Colton EZ Cord Ext Cord Holder	600	2.19	1,314.00
14	4170/151-6-8 ½ Clamp on light	228	5.76	1,313.28
15	AP15 Power Prod VND-Cabinet Lite	145	8.65	1,254.25
16	4465/681 25' Trbl Lite Mtl Grd.	132	9.45	1,247.40
17	3051-50' 18/2 Rd Cord-Ext/out	180	6.84	1,231.20
18	Per-12 Hemco Appl Roller-Econony.	252	7.60	1,915.20
19	XL15 OUL Thyrocon Socket Dimmer	170	6.72	1,142.40
20	03792 ABCO 7C7 Nite Lite Wh	1,360	0.79	1,074.40

Source: Stem Distributing

Jefferson is one of many discounters that have responded to consumer demand for easier-to-handle plumbing parts with an assortment of plastic fittings, as in Fort Myers, Fla., store. *(DSN photo)*


SNOW.

Test market results from last winter prove that with a little effort, ANCO Snowblade sales increases can be dramatic.

In fact, with advertising, additional stocking and little more than a helpful reminder from you, Snowblades can be one of the biggest profit makers you've ever seen.

Because with 60% of the motorists in the Northeast, and 40% in the Northcentral section of the country changing over to snow tires every fall, you have an incredible potential market for ANCO Snowblade tie-in sales.

The reason is quite simple: Any car owner concerned enough about winter driving problems to invest in snow tires, will probably be receptive to the advantages our Snowblades offer.

Like our heavier frames and wiping elements. And our tough rubber cover that helps keep our Snowblade's frame assembly ice-free, flexible and in contact with the windshield.

All at a relatively inexpensive price for your customers, with a particularly high profit margin for you.

And best of all, when you stock a hot, potential seller like ANCO Snowblades, your winter sales figures will never be left out in the cold.

The wiping element of our Snowblade is over 40% heavier than even our own high-quality standard blade. And every ANCO Snowblade is hand-cut by skilled personnel to insure a clean, sharp wiping edge.

The heavy-gauge metal frame and blade connector of our Snowblade resists twisting and bending from the extra weight of winter's ice, slush and snow.

ANCO
To see your way clear.
Gary, Indiana 46440

Plastic Parts

(Continued from page 50)

ported plastic items to average about 10% to 15% less than their metal counterparts, and a Pamida spokesman said some plastic parts run as much as 50% less than metal.

But more importantly, buyers say the ease of using plastic pipes has been attracting more do-it-yourselfers, who were previously frightened by the welding and fitting needed to install metal equipment.

One Woolco buyer pointed out that many of the plastic pipes can easily be bent to fit around corners and then cut with a sharp knife to an exact length. In addition, he said, ends can either be snapped together or glued, depending on the pipe

Still, the ease of installation has not replaced all the initial consumer resistance to the product.

Image Could Be Better

Buyers at many chains reported customers continue to believe either that the plastic parts are weaker than the metal ones or that the plastic will give water a poor taste.

While most discounters surveyed agreed the lower cost of plastic was also helping to outweigh some of the resistance, a Zayre buyer said that might not always be the case.

Both plastic and metals are commodities that suffer frequent price fluctuation, he said, adding that as the cost of oil—a main ingredient of plastic—continues to increase, the material may no longer hold a price advantage over metal.

Officials at Caldor, however, said they are not frightened at the possible future reverses in price, and the company will add its name to the list of those already selling plastic plumbing items this fall. Caldor, however, will sell only small items and not the lengths of pipe stocked by other chains, a buyer said.

"We feel we've been loosing business because we do not stock plastic parts," explained a buyer for the chain. "People have been coming in our stores and leaving when they find out all we have is metal."

9/23/80 C5150-203

Automotive PMA: Pp. 8-10

Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

VOL. 19, NO. 17

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AUGUST 25, 1980

Will Be Conversions to Jefferson Ward Format

Ward Leaps In! Plans 115 More Discount Stores

By Chris Haggerty

Montgomery Ward is converting 115 of its stores in the East and Midwest to the discount format of the Jefferson Ward stores. The conversions will take place over the next three years.

The announcement came in the wake of first-half losses reported at $82 million, and is one of a series of steps the chain will take to boost profits and streamline operations, according to E. S. Donnell, Ward chairman and ceo.

These conversions, he noted, will occur in areas where the company feels its Jefferson stores have a better future than traditional Ward stores.

A restructuring of Ward retail field operations was also announced. Supervision of 310 Ward retail stores, which are principally located in metropolitan areas, will be centralized at the chain's Chicago headquarters, and the staff functions of the three present regional offices in Chicago, Dallas and Oakland will be eliminated.

A separate organization will be established to supervise the conversion of Ward stores to the Jefferson Ward format. Upon completion these units will be transferred to Jefferson Ward management under David H. Kenny, senior vice president of Ward and president of Jefferson Stores.

As Ward management was planning the future of its Jefferson Ward stores, it also decided to expand its fashion impact program to revitalize its remaining conventional stores, according to sources close to the chain.

The new program, now labeled the merchandise impact program, will take the same design concepts used in the fashion impact program (see DSN, Aug. 11, 1980, p. 3) and extend them over the entire store layout and presentation.

As previously reported by DSN, the fashion impact program has already given a facelift to the apparel, cosmetics and jewelry departments at 18 stores in the Baltimore/Washington, D.C. and Ohio/Michigan markets. (See photos, pp. 12-13.) The 1980 program began this January and follows similar design techniques used in the Jefferson Ward prototypes.

Under the original fashion impact program, 46 stores in the Dallas/Fort Worth and northern California markets were to be converted. The remaining 28 stores will now be plugged into the merchandise impact program, along with other conventional Ward stores in targeted Southwest and West Coast markets.

"The new program will allow selected Ward stores in major metro markets to go after a more affluent, fashion-oriented

(Continued on page 18)

Changes in presentation made under Ward's fashion impact program at this Toledo store are similar to those found in the Jefferson Ward discount format. The Toledo market may be among those in line for the creation of more Jefferson Wards. *(DSN photo)*

Economy Reviving; Strong Christmas Would Cause a Scramble For Goods

Nationwide DSN Report

Discounters may have to change their thinking on Christmas 1980.

It's too soon to tell, but with the leading economic indicators coming back to life—consumer debt levels receding (by $3.46 billion in June alone), building permit issuances increasing and layoffs slowing—a good Christmas may be more than wishful thinking.

That would leave discounters—who spent the first half streamlining their inventories—scrambling for products to sell to now-more-liquid consumers who, as always, would rather sacrifice anything but Christmas.

"We'd be in trouble if Christmas really took off," reported Frank Shanower, Fishers Big Wheel vice president and general merchandise manager, "but we don't expect that to happen." For example: "We've probably bought only 55% to 75% of the fashion merchandise we bought last year.

"If we have to scramble for goods we would pay for it with the dollars we just made off of sold goods." Describing the country from Pittsburgh to Chicago as the "Devastation Belt," he added: "Right now, getting the goods isn't our problem; sales are."

At Woolco, the predictions made by Jerry Evans, corporate vice president, merchandise, were more upbeat.

"If Christmas sales should increase in excess of our plans we'd be able to take care of it," he said. "We may not get the electronic game that is red-hot this year, but we'd get a second one. There's never been a time when we haven't been able to get what we need." He summed

(Continued on page 22)

Toy Buyers to Play Up Basic Sellers For Yule

Nationwide DSN Report

In preparation for Christmas, toy buyers have trimmed their selections down to sure sellers, placing their dollars on the more dependable (and more profitable) year-round basics.

Basics are seen dominating trim-a-tree. Story, p. 11.

This meant taking a cold, hard look at TV toys, where high tickets (up 10% to 12% from last year) have been discouraging consumer purchases.

"We saw reluctance to high-ticket items last Christmas," said Bob Kuhns, buyer at Heck's. "This year, we've shied away from TV toys priced over $15. The play value just isn't there for the consumer. And this year they'd rather buy four or five less-expensive toys than put all their money into one or two TV toys."

"People are trading down this Christmas because of the recession," said T.G. & Y. buyer Nick Jung. "This season is a question mark. We're not going to be as aggressive with TV toys as we have been in the past. We will still back up the major TV toy companies, but not in the depth we once did." Jung, who buys the boys' toys section, decided to drop 25 to 30 sku's.

Electronic games is one category sharply affected by this shift away from TV toys. "Be-

(Continued on page 21)

Korvettes' Future is Cloudy—P. 3

Hills, Cheektowaga, N.Y., devotes two gondola runs to preschool toys. This high-ranking basic category attracted increased inventory dollars from buyers this year. *(DSN photo)*

Indictments of 2 at Jamesway Are Dismissed

NORWICH, N.Y.—Indictments charging two Jamesway employees with extortion have been dismissed by a Chenango County Court judge here.

The indictments were dismissed by a local magistrate who judged that the very wording of the indictments indicated the grand jury may not have had sufficient legal foundation to hand them up.

In addition, the judge stated the conduct of the Jamesway employees was such that they could have believed that their actions were justified and proper, and consequently wholly legal.

Similar investigations of alleged extortion practices are still under way in New York and New Jersey. According to the (New Jersey) state attorney as-

(Continued on page 21)

Woolworth/Woolco Spurs J. Brannam and Takeovers

Opens 15 Apparel Stores in One Day

HOUSTON—Woolco took this town and two others by storm earlier this month opening a record 15 J. Brannam units in a single day—Aug. 13.

The openings—10 here, one in Kansas City, Kan., and four in Kansas City, Mo.—completed this year's expansion plans, bringing the 27-unit chain a step closer to its projected 45 units by 1981, and 100 by 1984.

Of the 15 stores just opened, nine conformed to the original mold and were "cut-downs"—25,000-sq.-ft. stores carved out of existing Woolco units, according to D. Rowlett, general manager for the chain. Five others, all of them in Houston, are newly built freestanding units also averaging 25,000 sq. ft. One of the Kansas City, Mo., units was converted from a Woolworth store.

"That's the way we chose to enter a market," said Rowlett, reiterating what Woolworth chairman Edward F. Gibbons had told stock analysts earlier this year: "We have an ability to make an immediate impact on a market by opening several stores in a matter of days with relatively small capital, advertising and administrative costs per unit."

Put another way, Woolworth/Woolco is using the J. Brannam units to make the adjoining Woolco stores more profitable by forcing the discounter to make better use of the cube.

Rowlett and other chain spokesmen said the trade-off stops there. "The Brannam stores have not taken away any of the Woolco apparel business," Rowlett noted, "because they serve a different wearable customer." Brannam customers tend to be department store shoppers looking for the more sharply priced—but branded—goods the chain is carrying, he said.

(Continued on page 7)

J. Brannam brought the same off-price apparel merchandising techniques unveiled in Dallas (above) to 15 new stores in Houston, Kansas City, Kan., and Kansas City, Mo. *(DSN photo)*

Canadian Woolcos Will Operate Men's And Boys' Sections

TORONTO—F. W. Woolworth has taken another step toward edging out second-party assistance from all Woolco store operations.

The chain will take over the men's and boys' wear departments in Woolco stores in Canada, ending a decade-long association between its Canadian subsidiary and the Grafton Group, a Woolworth spokesman said.

Grafton Group, an apparel concern, currently sells men's and boys' clothing in 105 Woolco stores in Canada. Sales from these so-called licensed departments accounted for $103.7 million (Canadian) of Grafton's $240.7 million sales in the fiscal year ended Jan. 31.

Woolworth officials informed Grafton that Woolworth plans to operate the departments in all new Woolco stores in Canada, and that licenses on exist-

(Continued on page 18)

FTC Confirms Investigation Of Satisfaction Guarantees

WASHINGTON—The Federal Trade Commission is investigating to determine whether five mass merchandisers—including K mart, Woolworth and Korvettes—have failed to make good on "satisfaction guaranteed" claims.

FTC officials did not announce the investigation, but confirmed that one was in progress at presstime, after the three discounters and Sears and Montgomery Ward moved to legally block FTC subpoenas for information.

A spokesman for the Woolworth Co. said the investigation is "without substance," and motions filed with the FTC to block the subpoenas asked the Federal agency to disclose any complaints.

Woolworth argued that over the past five years it has received few complaints about its money-back policy and that in 1979 it made a total of seven million refunds totaling $89 million.

A spokesman for K mart issued a brief statement saying that it had supplied the FTC with some documents but that it was seeking to quash additional requests.

The nation's largest retailer, Sears, argued in its motion that to comply with the request for information "would require thousands of man hours and would significantly disrupt the normal operations of 3,500 Sears units throughout the country."

It said the Government's request was "particularly burdensome at this time in view of the current adverse economic situation prevailing throughout the country."

At Ward, officials said they were told of the agency's probe last August and formally called for an end to the probe several weeks ago. A spokesman noted that its "satisfaction guaranteed" pledge has been carried in the company's catalog since 1875.

N.Y. Unit to Be 1st Outside of Nashville

Service Mdse. Sets Distribution Center

NASHVILLE—Service Merchandise will open a 165,000-sq.-ft. distribution center in Central Valley, N.Y., this fall in an effort to reduce distribution costs and as a test of a possible network of such facilities across the country.

The facility will be the first distribution center outside of Nashville—where Service Merchandise has four warehouses—and is designed to service 45 to 50 showrooms in the New England and Middle Atlantic States area where the cataloger currently has about three dozen units.

The cataloger also revealed the planned opening of its second showroom in Birmingham, Ala., and reported higher sales but a drop in income for the quarter and half year ended June 30.

The new Birmingham showroom will be in the former two-story 95,000-sq.-ft. Pizitz Department Store in the Eastwood Mall. The cataloger will use one 47,500-sq.-ft. level as a showroom and the other as a stockroom.

Service Merchandise's sales in the quarter went up 16.1% to $179,526,000 from $154,688,000, but the increase was under the gain reported for the half year.

Six-month sales of $310,260,000 were up 24.8% from $248,687,000.

The sales gain slowdown was also evident from same-store volume gains, which were 10.2% in the half year but 4.7% in the quarter.

The income decline saw earnings in the half year drop 19.1% to $3,034,000 from $3,750,000, and go down 7.6% in the quarter to $4,008,000 from $4,338,000.

Raymond Zimmerman, in a letter to stockholders, cited higher interest rates, a big jump in interest payments—$10,807,000 in the six months against $6,172,000 last year—and higher distribution costs for both equipment and fuel.

The new distribution center is expected to reduce distribution costs in the Northeast, the one region where sales were strong in the second quarter, Zimmerman said. Sales in the South and Midwest were "relatively soft," he noted.

The Central Valley facility will be used as a transfer point for merchandise shipped from the cataloger's warehouses in Nashville and for goods drop-shipped to the center by manu-

(Continued on page 14)

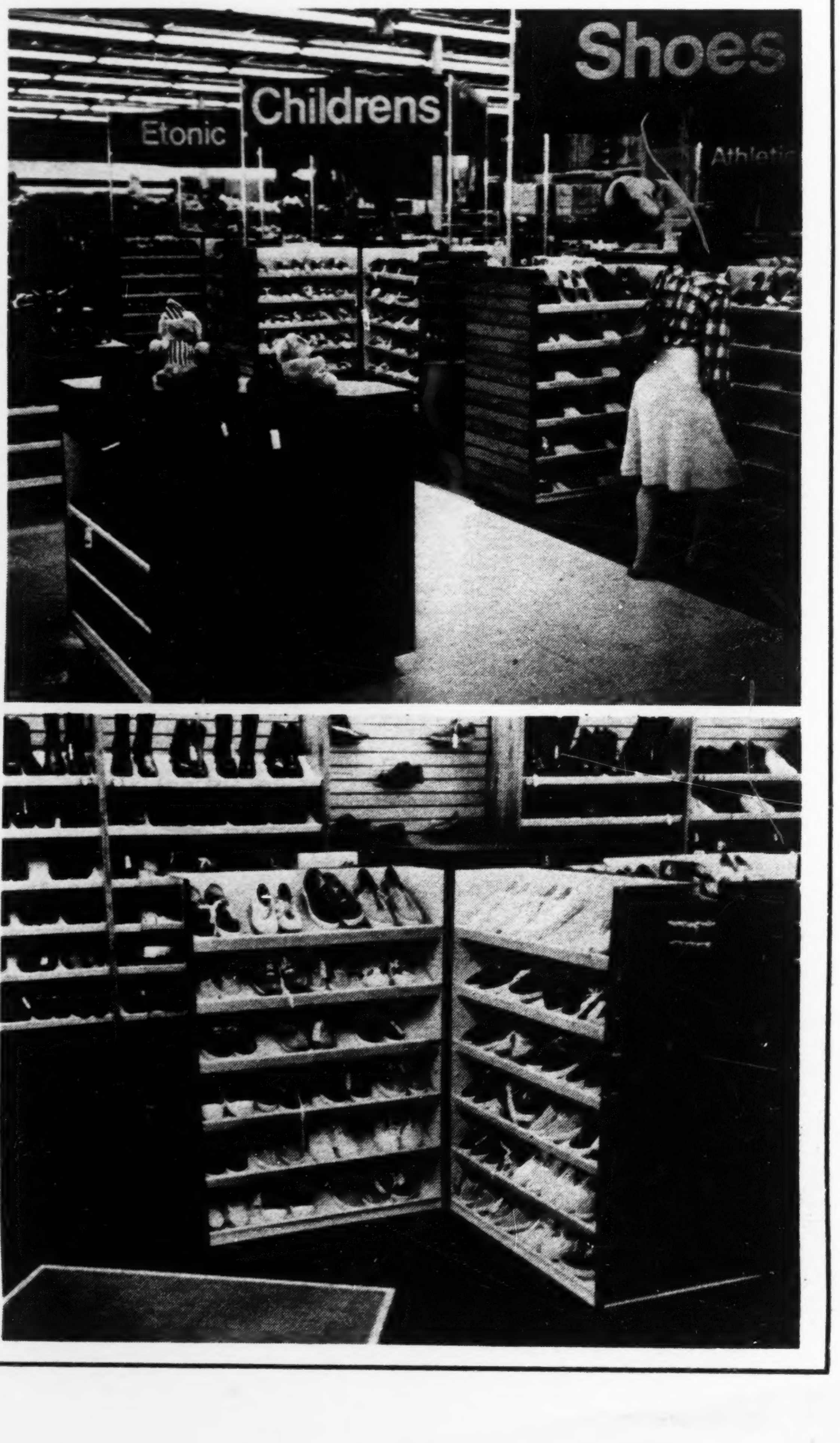
Spotlight on: Footwear

Barkers' Lessee Creates Upscale Shoeplace

Barkers' shoe lessee, Morton Shoes, has installed this upscale presentation in the chain's Ossining, N.Y., store. Along the racetrack aisle in the back of the store, the department uses fashion presentations of the latest goods to draw shoppers into the carpeted department.

Cube fixtures in the aisle maximize the exposure of the most fashionable merchandise. Signs make it easy to locate the different sections within the department, and promote well-known brands like Etonic, Converse and Snoopy children's lines.

Inside the department, shoes are displayed by size to make it more convenient for the customer. Mirrored ends on the fixtures dress up the department and provide an easy way for the customer to examine the shoes on her feet. The rear wall of the department goes high with leather goods. See the next issue of DSN for a shoe merchandising story on this new trend and others.



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To Our Subscribers

Due to rising publishing costs, we are increasing our subscription rates for Discount Store News, effective Oct. 1, 1980.

New rates: one year (24 issues)—$7.50; two years (48 issues)—$14. To manufacturers and manufacturers reps: one year—$20.

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Vol. 19, No. 17 August 25, 1980

AUTOMOTIVE SOUND CENTER

Song of the Open Road

Motorists may be driving less, but discount stores throughout the country say that they still seem to want to listen to good music while on the road. Displays such as this one at Woolco, Charlotte, N.C., are proven successes in attracting attention. They offer an effective display of both the radios and speakers to go with them. *(DSN photo)*

AUTOMOTIVE ACCESSORIES

These automotive accessory PMA figures are for the June 1-30 period. They were supplied by Allied Accessories and Auto Parts Co., Madison Heights, Mich., which covers 2,000 stores, including 1,700 discount department stores in 33 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

Curr. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2-ton Hydraulic floor jack	615	69.99	43,043.85
2	Snowhite Lit 'n' Easy gal	2,992	12.99	38,866.08
3	Blue Poly sealant, 16-oz	3,671	9.99	36,673.29
4	Motorcraft oil filter for FL-1	9,105	3.49	31,776.45
5	Freon, 14-oz	17,470	1.69	29,524.30
6	DuPont Rain Dance pst, 14-oz	5,988	4.89	29,281.32
7	One-piece auto ramp pair	1,166	24.99	29,138.34
8	8-oz Armor All	9,285	2.99	27,762.15
9	Gunk aerosol	12,520	1.89	23,662.80
10	STP oil treatment, 15-oz	12,252	1.89	23,156.28
11	Casite spray-lube, 9-oz	12,096	1.89	22,861.44
12	Sup Hd Shell, pst/kit, 14-oz	6,776	3.29	22,293.04
13	AC spark plug	17,025	1.29	21,962.25
14	Pennzoil delux 10W40	17,458	1.16	20,251.28
15	DuPont Rain Dance liq, 16-oz	4,116	4.89	20,127.24
16	16-oz Armor All	3,120	6.39	19,936.80
17	Westleys Bleach Whte, 20-oz	11,645	1.69	19,680.05
18	TAM-66 undercoating	9,766	1.99	19,434.34
19	AC oil filters	5,108	3.79	19,359.32
20	Gumout jet spray, 13-oz	7,953	2.39	19,007.67
21	2-ton Hydraulic bottle jack	1,566	11.99	18,776.34
22	HD sealed beams	5,610	3.29	18,456.90
23	WD-40 aerosol, 9-oz	9,885	1.79	17,694.15
24	Freon kit	2,618	6.59	17,252.62
25	Gumout Carb cleaner, 16-oz	8,575	1.99	17,064.25
26	Warco Dot brake fluid, 12-oz	12,255	1.39	17,034.45
27	DuPont Rally, 14-oz	4,836	3.29	15,910.44
28	Quaker State sup blnd 10W30	13,752	1.13	15,539.76
29	Johnson's wax kit, 12-oz	5,160	2.99	15,428.40
30	Valvoline 10W40	13,987	1.06	14,826.22
31	Pennzoil all-purpose 10W30	12,959	1.13	14,643.67
32	Duro sandable primer-gray	8,207	1.69	13,869.83
33	Turtle zip liq c/wash, 18-oz	7,149	1.89	13,511.61

(Continued on page 9)

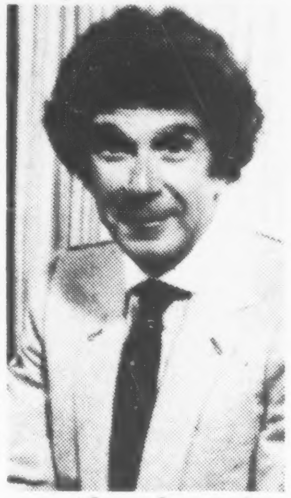
Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Waxes Shine Once More as Gas Cans Sink

By Herb Rechter
President,
Allied Accessories and
Auto Parts Company



Waxes and polishes, along with most other traditional summer seasonals, were once again back to their leading positions in the June Product Movement Audit, after having been partially displaced last year by a gas-hungry public with its mind on other items.

The top seller on the chart in the summer of 1979—a 5-gal. gas can that sold 7,300 units—was No. 51 this time. The 1-, 2-, 2½ and even 6-gal. cans that made strong showings in '79 were also way down in movement in June of '80.

Waxes, spark plugs and automotive chemicals were the strong sellers this June, with a total of three polishes and waxes making it into the top 10.

Many dealers were reporting that despite the current recession, the increasing demand for fuel-saving items will be enough to make 1980 as strong a year for sales as 1979.

Already, tune-up kits have become good sellers amid predictions that air and oil filters will rise before the year is out to become leaders in sales.

Even oil sales—thus far somewhat disappointing with significant sales drops compared to last year—are likely to make a comeback and add themselves to the list of sales leaders.

Snowhite Lite 'n' Easy was the top-selling polish in dollar volume this June, ranking second on the PMA with 2,992 units moved.

Blue Poly Sealant moved a greater number of units—3,671, but ranked third in the dollar figures, representing $36,673 at retail.

The 14-oz. bottle of DuPont Rain Dance paste was also a strong seller, ranking sixth on the PMA in dollar volume with $29,281, but outdoing Lite 'n' Easy and Blue Poly Sealant with unit sales of 5,988.

The best seller in dollar volume in the audit was a two-ton hydraulic floor jack, a sign that car owners are investing more money in doing their own repairs.

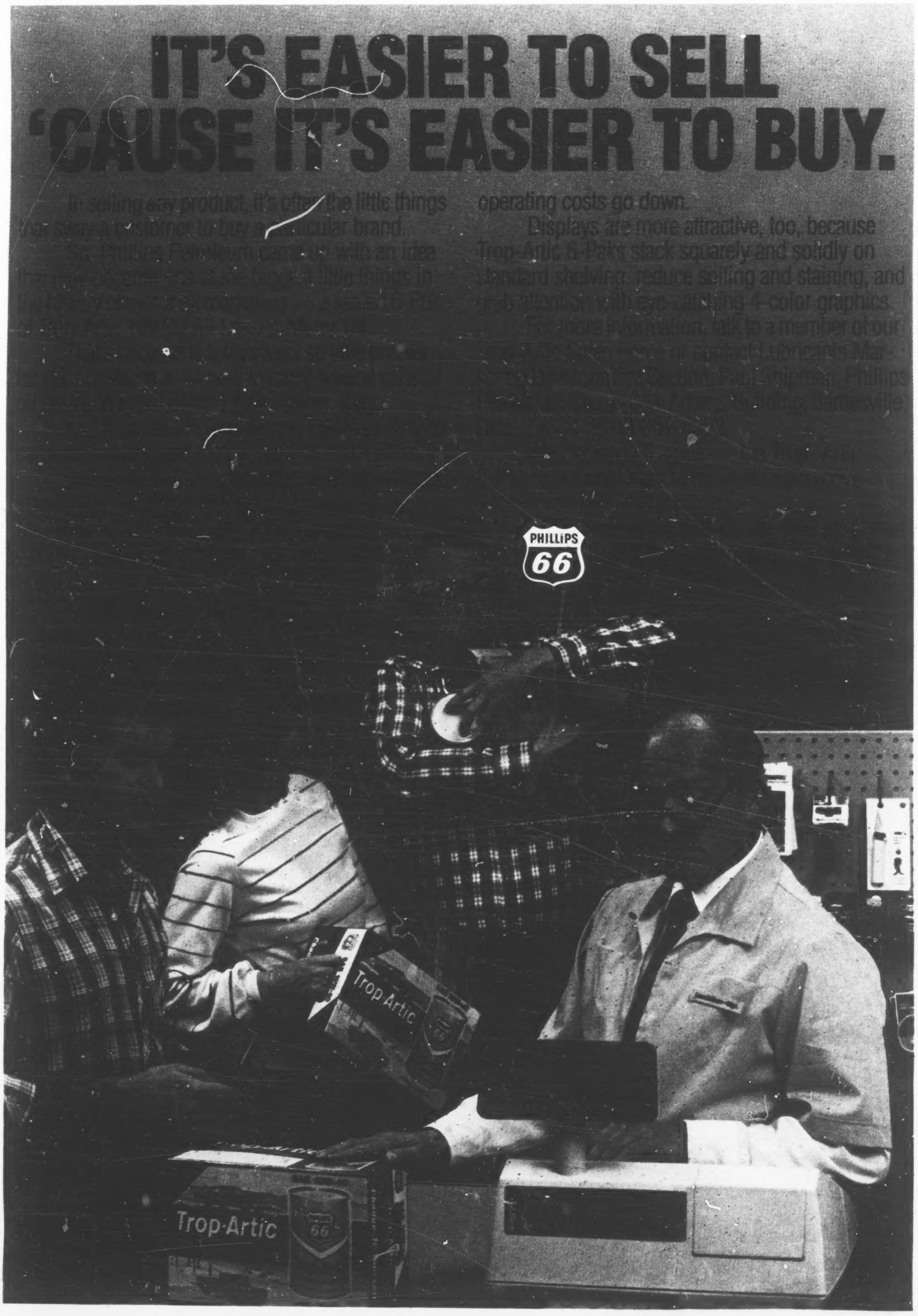
The jack was also a strong seller in a PMA conducted in May, when it ranked second.

Automotive chemicals did somewhat better than last year, with Gunk aerosol and STP oil treatment both ranking among the 10 best sellers.

Oil however, seemed to make a significantly better showing at this time last year.

In the summer of 1979 a total of three oils made it into the top

(Continued on page 10)


IT'S EASIER TO SELL 'CAUSE IT'S EASIER TO BUY.
PHILLIPS 66
Trop-Artic
Trop-Artic

operating costs go down.

Displays are more attractive, too, because Trop-Artic 6-Paks stack squarely and solidly on standard shelving; reduce spilling and staining, and grab attention with eye-catching 4-color graphics.

AUTOMOTIVE ACCESSORIES

(Continued from page 8)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
34	2-gal Gas can	3,288	3.99	13,119.12
35	STP Son of a Gun, 8-oz	4,296	2.99	12,845.04
36	Quaker State Delux 10W40	11,016	1.16	12,778.56
37	Fix-a-Flat tire inflater	10,375	1.19	12,346.25
38	Rislone oil alloy, 32 oz	5,928	1.99	11,796.72
39	AC spark plugs	8,847	1.29	11,412.63
40	Roberk wiper bld refill	5,207	2.19	11,403.33
41	STP gas treatment, 12-oz	6,309	1.79	11,293.11
42	AC oil filters	2,975	3.79	11,275.25
43	Warco Dot Brake Fluid-qt	3,132	3.59	11,243.88
44	Coleman air compressor	271	39.89	10,810.19
45	Armor-All 4-oz	6,359	1.69	10,746.71
46	Three-sect antenna w/booster	1,048	7.59	10,686.72
47	Motorcraft resistor plug book	8,710	1.19	10,364.90
48	Snowite Lite-N-Ez-qt kit	2,544	3.99	10,150.56
49	Delco 8-cyl tune-up kit	1,527	6.39	9,757.53
50	Duro red sandable primer	5,755	1.69	9,725.95
51	5-gal Gas can	1,204	7.99	9,619.96
52	Bars Leak 15-oz	5,039	1.89	9,523.71
53	2½-gal Gas can	1,359	6.99	9,499.41
54	Bars Leak 5½-oz	7,340	1.29	9,468.60
55	16-oz Armor All Cleaner	4,751	1.99	9,454.49
56	Auto bulbs, 2 on card	10,595	0.89	9,429.55
57	National All-Purpose 10W30 oil	14,520	0.62	9,002.40
58	Thrush Muffler (T-4163)	600	14.99	8,994.00
59	9-oz Simonize Pre-Soft	3,060	2.89	8,843.40
60	General Motors 8-cyl distributor cap	1,761	4.99	8,787.39
61	Stainless steel quartz light kit	319	26.99	8,609.61
62	STP motor oil-quart	6,600	1.29	8,514.00

(Continued on page 10)

Be Ready For Tough Questions From Floor at Annual Meeting

NEW YORK—As shareholders become more knowledgeable about how corporations work, retailers are finding themselves facing tougher questions from the floor at annual meetings and at other times.

On Operations:

Price Waterhouse, a large accounting firm headquartered here, recently compiled a list of questions retailers should be prepared to answer. On the operations side, the accounting firm suggested retailers be ready to field questions like the following:

- What was the company's comparative revenue and net income this year and last, when stated in dollars of similar purchasing power?
- Based on comparable industry sales gains, is the company maintaining or improving market share?
- Was the reduction in year-end inventories accomplished by a reduction or delay in orders for next season? If so, the effect is for inventory on hand to be relatively older than would otherwise be the case and would be less salable. Please comment.
- Recent news stories point out that certain retail executives are in great demand and their contracts have reached limits often held by entertainers or sports personalities. Please describe the terms of Mr. X's contract and why it is justified.
- Why don't we have a dividend reinvestment plan?

On Accounting:

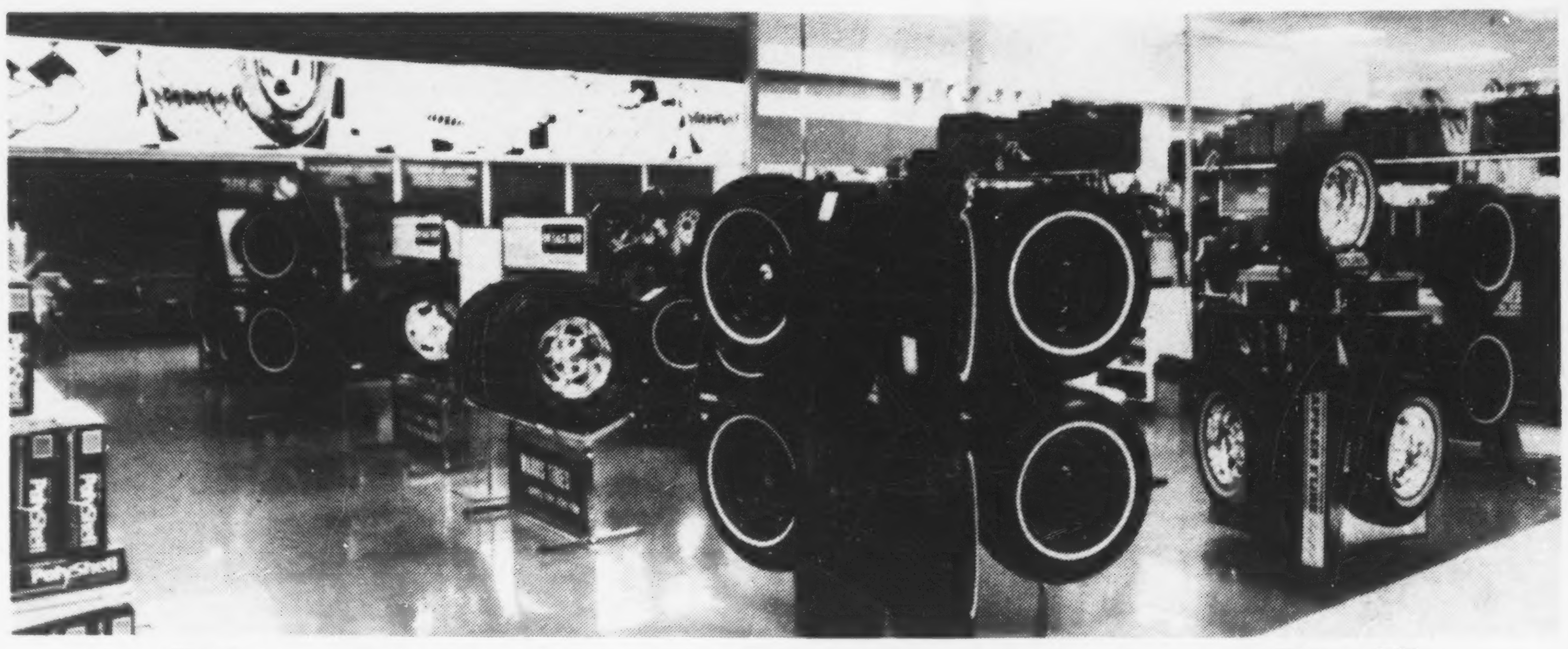
On the accounting side, the New York firm advises retailers to prepare for questions like:

- Why hasn't the company adopted LIFO? What would have been the reduction in net income and income tax expense if LIFO had been adopted this year?
- Why has the company adopted LIFO and what do you think has been the effect on market value of common stock due to reduction in our reported earnings offset by having more funds to invest?
- Are the company's accounting policies in areas like inventory valuation, store opening and closing costs, depreciation, employee benefit accruals, etc., consistent with the industry or preferred practices?

On Fraud:

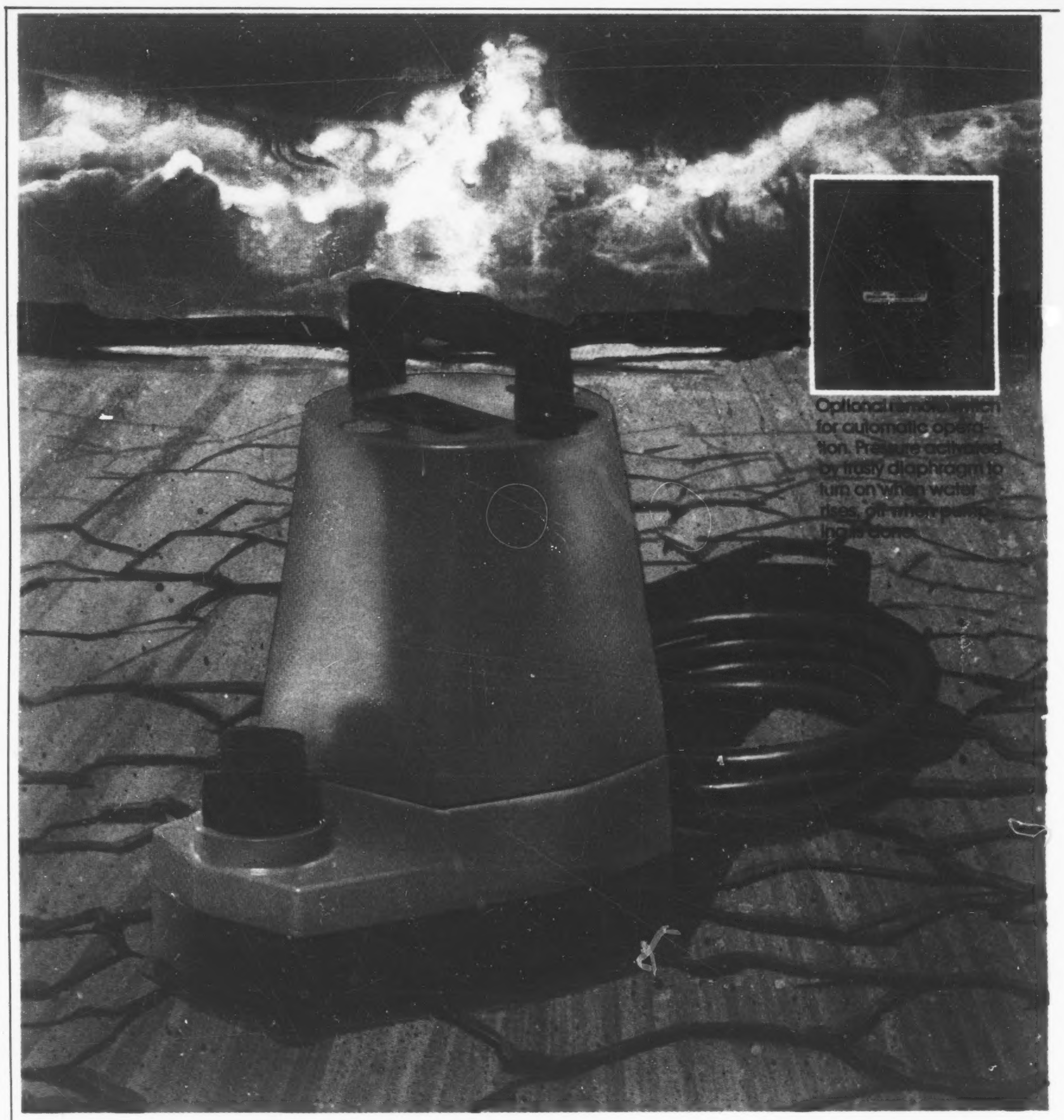
As questions of fraud continue to receive much publicity, the firm suggests retailers be prepared to answer consumer questions about the subject:

- How has the board satisfied itself that officers and employees do not have a financial interest in merchandise vendor companies, real estate projects, etc?
- Are controls designed to detect false data entered into the accounting system?



Tire Displays Get a Bigger Roll

With motorists putting fewer miles on their cars these days, some discount chains are finding they have to resort to more attractive displays to sell tires. Shoppers walking along the aisle in this Jefferson store in North Miami Beach, Fla., are given an unobstructed view of most of the lines of tires the chain carries. *(DSN photo)*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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Waxes, Polishes

(Continued from page 8)

25 best sellers. This year, though, Pennzoil Deluxe 10W40 was the only strong seller.

Oil filters did almost as well as last year both in dollar volume and in units sold.

Anti-freeze isn't typically a strong seller in the June PMA. Chances are, however, that it won't be as strong as it was in the winter PMA either. Retailers are reporting that rising prices are scaring many people off who otherwise would have elected to flush out their cars' systems or to add a little of it to be on the safe side.

To date, some chains have reported drops in sales of up to 8%.

AUTOMOTIVE ACCESSORIES

(Continued from page 9)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
63	Thrush Muffler (T-3163)	566	14.99	8,484.34
64	Foot pump with gauge	722	10.99	8,484.28
65	Duro black sandable primer	4,989	1.69	8,431.41
66	Valvoline Dexron ATF qt	7,680	1.05	8,064.00
67	Champion spark plug (RBL15Y)	6,239	1.29	8,048.31
68	Pennzoil heavy duty 30w	7,626	1.05	8,007.30
69	Champion spark plug (RBL15Y4)	6,160	1.29	7,946.40
70	Mini grease cartridge (3 pack)	3,316	2.39	7,925.24
71	Champion Spark Plug (RN12Y)	6,078	1.29	7,840.62
72	Mopar Oil Filter	2,184	3.59	7,840.56
73	Motor Lube nondetergent oil	12,471	0.61	7,607.31
74	Clean Machine auto vacuum	268	27.99	7,501.32
75	GM 8-cyl Uniset OEM	891	8.39	7,475.49
76	AC Oil filters	1,918	3.89	7,461.02
77	Square sealed beams -lo	1,450	4.99	7,235.50
78	Large rectangular sealed beam	903	7.99	7,214.97
79	1 lb DL Hand cleaner	7,271	0.99	7,198.29
80	Roberk Wiper blade refili	3,285	2.19	7,194.15
81	DuPont rubbing compound 12-oz	4,500	1.59	7,155.00
82	GM 8-cyl tune-up kit	1,986	3.59	7,129.74
83	Turtle Wax Extra 16-oz	1,451	4.89	7,095.39
84	6-ton Hydraulic bottle jack	322	21.99	7,080.78
85	Turtle Wax Extra paste 13-oz	1,440	4.89	7,041.60
86	Yale power steering fluid	5,411	1.29	6,980.19
87	DuPont car wash 8-oz	3,888	1.79	6,959.52
88	3-section Ball spring	990	6.99	6,920.10
89	AC oil filters	1,824	3.79	6,912.96
90	Turtle Wax Poly Shell	345	19.99	6,896.55
91	Casite oil filter	2,642	2.59	6,842.78
92	AC Spark plug	5,303	1.29	6,840.87
93	Armor-All 32-oz	774	8.69	6,726.06
94	Thrush Muffler (T-5163)	444	14.99	6,655.56
95	CD-2 Red Hi 15-oz	3,684	1.79	6,594.36
96	Heavy-duty sealed beams	2,335	2.79	6,514.65
97	DuPont gas booster 12-oz	3,852	1.69	6,509.88
98	Spray Chrome paint	2,320	2.79	6,472.80
99	Castrol GTX 20W50	5,496	1.17	6,430.32
100	Lo-mount track mirror	398	15.99	6,364.02

Source: Allied Accessories and Auto Parts Co.

RICHWAY BATTERIES

The Effect Is Electric

Batteries have always been a popular item, especially as consumers realize how easy they are to install. Officials at this Richway, Decatur, Ga., feel a fancy display goes a long way toward perking up sales. *(DSN photo)*

Discount Store News

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THE COMPETITIVE

The windshield wiper replacement market is currently worth $147,000,000. And when you go after your share of this growing market, you can have an edge. The ANCO competitive edge.

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Sporting Goods Outlook: Pp. 2, 21, 24

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Fauber: K mart to Test Full Race-track Aisle

INDIANAPOLIS—K mart will be yet another step closer to upscale discounting when it unveils a full race-track aisle in at least one of eight stores currently being remodeled here.

Chairman and ceo Bernard M. Fauber told DSN the race-track aisle, which dead-ended inside the ladies' apparel department in the Lodi, N.J., store—scene of the chain's first major upscale effort, made earlier this year—will go fully around at least one of the Indianapolis stores.

Fauber added: "Not every store will be exactly the same."

As was true in apparel, the race track will generate a new hard lines presentation that will not be limited to refixturing, but will involve a "modest trade-up of goods," Fauber told DSN.

The showpiece of the Lodi remodeling was a ladies' wear department that replaced 30-ft. piperacks with fashion fixtures—rounds, deltas, and waterfalls—and displayed them prominently along the entire front-left quadrant of the store.

The hard lines upscaling was the next logical step for the giant chain which sees its market share slipping in favor of aggressive regionals that are going after consumer dollars with two-fisted fashion and value merchandising strategies.

In Indianapolis, the soft lines presentation in the eight

(Continued on page 30)

King's Takeover of Barkers Expected As Cornwall Consolidates Retail Arms

NEW YORK—Cornwall Equities Ltd., sole owner of Barkers and Franklin Stores, was moving to consolidate its retail operations at presstime. The move would transfer ownership of Barkers to the King's chain, headquartered here, of which Cornwall owns a 12% controlling interest.

The two management boards were expected to give the go-ahead on the King's/Barker merger.

The acquisition proposals being voted on were first presented to the boards of directors of King's and Cornwall Equities approximately 90 days ago.

Nathan Greenberg, King's vice president and treasurer, and a member of the independent committee created last June to study the fine points of the acquisition, reported that if the proposal goes through as expected, Barkers' United States stores will be consolidated into the King's operation. Only in Puerto Rico and the Virgin Islands, where 16 Barkers stores have successfully entrenched themselves, will the name change not take place, he said.

Greenberg viewed the possible acquisition as a cost-efficient way for King's to move into the Sunbelt. In addition to 37 stores in Connecticut, New Jersey and New York (and the 16 Puerto Rico and Virgin Island units), Barkers operates 11 stores in Texas and Louisiana.

The consolidation is also expected to allow King's to maintain a growth rate of 10% compounded annually in its existing markets, according to Greenberg.

"There's very little differences between Barkers' and King's merchandise mix and presentation," said Greenberg. "That's why we're so enthusiastic about this move. The Barkers stores fit right into our existing markets in Connecticut and New York with little need for dramatic changes."

This growth-through-acquisition strategy is a familar

(Continued on page 30)

Many Chains Spur Promos, Though

Operations Costs Shaved as Nets Dip

Nationwide DSN Report

Many discounters are taking a sterner position on operations spending in the light of their sluggish profit performance for the first half of the fiscal year.

Advertising and sales promotion will be spared surgery at many chains, however, as many discounters choose to accelerate their promotional activities, as well as to shave margins, to remain competitive.

"The temptation among some retailers is to battle for business at the expense of earnings, something that inevitably causes more problems than it solves," said Fred Haddad, Heck's chairman. The regional chain posted a 22% rise in income for the first half to $5.6 million, or 87¢ per share, from last year's first-half earnings of $4.6 million, or 72¢ a share.

Heck's will continue its policy to "maintain margins as vigorously as possible," Haddad said.

Rink's took a similar stance in its promotional policy. "We are not trying to buy sales," said a spokesman. "Customers are cherrypicking items anyway, so you can't force them to come into your stores. We've become more selective and productive in our advertising, but we will not be accelerating the program."

Rink's parent, Gray Drug Co., will expand its H&BA private label brands in Rink's stores and its drug store division. The company hopes to thus increase customer loyalty and to boost gross margins.

Other plans for bolstering profit margins at Rink's include moving to a one-week reordering cycle. "We will trade off higher delivery costs for better in-stock positions on staple merchandise, and lower inventory costs," said the chain spokesman. The change in schedule is one part of a chainwide costs study.

Wal-Mart was one of the few discount chains reporting record earnings for the first half—up 32.4% to $20.6 million from

(Continued on page 30)

Venture Unifies Battle vs. Out-of-Stocks

By Bernard C. Cullen

ST. LOUIS—Venture has begun a massive effort to force total chain compliance with a centralized merchandise control program designed to ease a serious out-of-stock problem by year's end.

Officials said employees began shifting merchandise in every department throughout the 45-store chain earlier this summer, and that full implementation of the chain's planogram program should be complete by this fall.

The chainwide out-of-stock problem developed in 1978 after the acquisition of 13 Turn-Style stores and the opening of a new distribution center threw the company's replenishment system into disarray.

Previously, only adjacencies specified in the planogram were strictly adhered to, and managers had significant leeway in modifying the layout of their departments.

The new program will make it more difficult for managers to fill empty shelves with non-planogrammed merchandise, a too-common practice among store managers in the past.

The planogramming drive is the boldest step thus far taken by Ira Quint, president and ceo. Quint, a Sears veteran, was tapped by May Co. officials for the top spot in 1979 and charged with rebuilding their deteriorating Venture discount division.

(Quint declined to comment on Venture.)

Officials of May said sales have been sagging at Venture, and that the company's bottom line has failed to live up to expectations.

Talks with chain employees revealed that the new planogram regimen is one of the belt-tightening policies begun

(Continued on page 4)

Financial Settlement With Korvettes Will Net Lenders $28 Million in Cash

By Arthur Markowitz

NEW YORK—Korvettes on its second go-round reached a $28 million financial settlement of its approximately $57 million debt with its major lenders that is also acceptable to its parent Agache-Willot.

Joseph Ris put the finishing touches on the new agreement upon his return as chairman of the troubled chain five days after he resigned when his first debt restructuring plan was repudiated by Agache-Willot.

The new plan calls for the following:

- Agache-Willot will make a $28 million cash payment to the major lenders, with $26 million scheduled to be paid at presstime. Agache-Willot, however, will only have to pay about $22 million as the three lender banks have agreed to return about $6 million they impounded when the French company turned down the first plan.
- The remaining $2 million due on the $28 million will be paid in January 1981.

The French company will provide "substantial" working capital to Korvettes in an effort to restore supplier confidence in the chain. The amount, however, wasn't disclosed at presstime. If cash is actually provided it would mark a major change from the past when Agache-Willot's support mainly was guaranteeing Korvettes' payment to vendors.

An unnamed and undefined Agache-Willot affiliate will assume the debt owed to the three banks and two insurance companies, and will provide the

(Continued on page 5)

Bennett (l.) and Walton (r.) with DSN publisher Stu Horton.

Walton and Bennett Honored At DSN's SPARC Banquet

CHICAGO—Two veteran discounters and outstanding entrepreneurs, Sam Walton and Carl Bennett, received discounting's top honors at DSN's annual SPARC (Supplier Performance Award by Retail Category) award banquet here last month.

Walton, the founder, chairman of the board and ceo of Wal-Mart, Bentonville, Ark., was the third discounter to be inducted into the Discounting Hall of Fame. He joined Harry Cunningham, K mart, and Marty Chase, Ann & Hope. In 1979 Walton was named Discounter of the Year.

Bennett, who, with his wife Dorothy, founded Caldor, Norwalk, Conn., 29 years ago, was chosen Discounter of the Year.

Exercise Gear Builds Up Money-making Muscle as It Avoids Promo Fight

Special DSN Market Study

Demand for high-ticket exercise equipment, particularly bikes, benches and weight sets, is working wonders for most discounters' profit structures since these items have not yet joined their low-end counterparts in the promotional fray.

Some buyers, however, planned to gain a competitive edge this season by including them in promotional efforts. All agreed that the day is fast approaching when competition will force them to promote the goods, thus slicing into the category's profitability.

The outlook for hunting gear, p. 21; for roller skates, p. 24.

Discounters have upgraded their exercise department mix to satisfy a growing demand for high-quality equipment with special features.

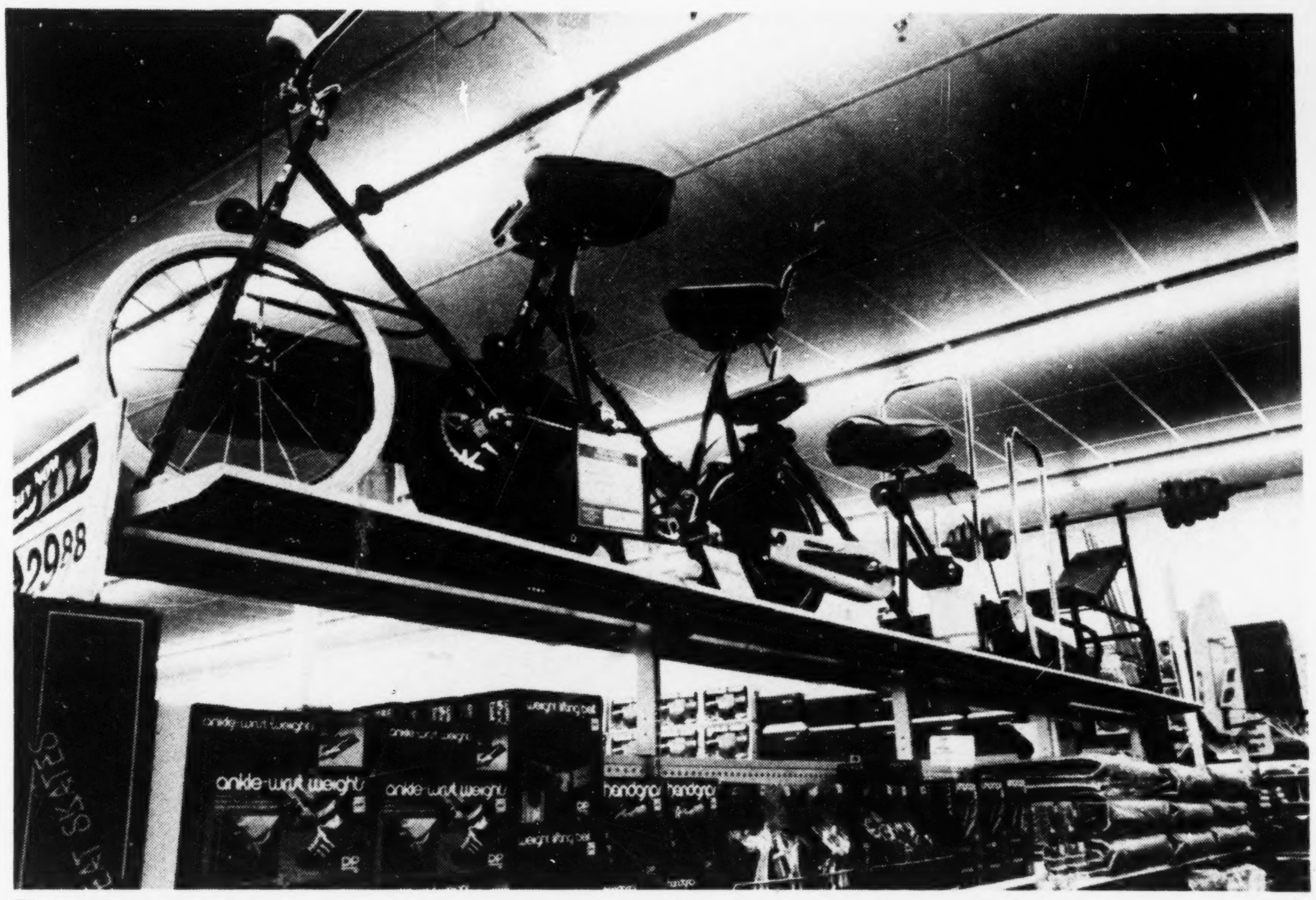
Rose's buyer Steve Overcash added a step-up model to many of his subcategories within exercise for this fall. "There's not an area within exercise that's not growing," he said.

The chain will offer a deluxe bike this fall to augment the standard low-end model in that subcategory's selection. A deluxe incline bench with leg lift will now complement the selection of one low-end standard bench. A 165-lb. weight set was added to round off the assortment of 110-lb. sets.

"Consumers want to have the option of selecting between standard models and those with special features," said Overcash. "Therefore it's necessary today to carry a representative item of both types of products."

Zodys, a division of Hartfield-Zodys, eliminated the low-end exercise bike, and will start off its selections with a high-end model, priced at $99.99, according to a chain spokesman. A cast-iron barbell set will debut this fall, adding to the chain's selection of plastic-covered sets.

(Continued on page 25)


This Wal-Mart, Benton, Mo., devotes top-of-gondola space to bikes, benches and walkers while stocking accessories such as mats and hand-held items underneath. *(DSN photo)*

Ardan Will Add 9 Showrooms in Fall

DES MOINES—Ardan plans a major expansion effort this fall that will see the cataloger open at least nine showrooms, go into a minimum of four new states and heighten its competition with Service Merchandise and H. J. Wilson while continuing to avoid competing with Modern Merchandising.

Ardan, the fast-growing showroom arm of the Carlson Companies conglomerate, at presstime set seven openings to follow the two announced last month (See DSN, Aug. 11, p. 58.)

The latest openings will include Ardan's first thrust into Louisiana, home of H. J. Wilson; Tennessee, Service Merchandise's base, and Indiana. The openings announced earlier included the cataloger's debut in North Carolina in Winston-Salem.

Ardan's Louisiana unit will be a 51,000-sq.-ft. showroom in the Broadmoor Shopping Center in Baton Rouge, the headquarters city of H. J. Wilson.

In Tennessee, Ardan's showrooms will be a 38,000-sq.-ft. unit in Knoxville near the West Town Mall, about two miles from a Service Merchandise; a 40,000-sq.-ft. showroom in Chattanooga near the Northgate Mall about seven miles from a Service Merchandise, and a 38,000-sq.-ft. unit in Memphis opposite the proposed Hickory Ridge Mall in a market where Service Merchandise already has three showrooms.

The Indiana Ardan will be a 37,000-sq.-ft. unit in Indianapolis in the Cherry Tree Shopping Center near the Washington Square Regional Mall. One of Service Merchandise's three Indianapolis showrooms is about a mile from the regional mall.

The other two new Ardans will be a 42,000-sq.-ft. unit in Abilene, Tex., in an ex-Sears in Sayless Square, and a 40,000-sq.-ft. showroom in Lincoln, Neb., that will be connected to the East Park Plaza, a new mall opening this fall. Ardan will operate its smaller unit in downtown Lincoln through the end of the year.

Ardan's move into markets where other catalogers have showrooms reflects a growing trend of face-to-face competition among showroom operators.

An Ardan source asserted that H. J. Wilson and Service Merchandise started the fight

(Continued on page 25)

Apparel Is the Focus of Nichols' Upscale Move

By Laura L. Larson

NEW YORK—Add another name to the list of traditional discounters going upscale: S. E. Nichols.

Apparel departments are getting up-front space along the major aisle in each of the chain's new stores. Already, about 20 of 43 existing offset (off-center) entrance stores have been remodeled, with the rest to be completed by late September.

The move is part of an overall plan to upgrade soft lines at the chain. While some improvements are going on in other departments, apparel is the focus of the ongoing move to improve profits with higher-margin goods, increase hard lines traffic and make Nichols more competitive with upscalers.

A low, department-store-like profile will position the chain "not quite up with a Target, but above a K mart," Ed Dennenberg, apparel merchandiser, said.

The recent move is part of a plan begun two years ago when Dennenberg joined Nichols, and chain executives made their first move to revitalize soft lines.

Besides modifying design slightly to fit up-front space, few fixturing changes were made, although merchandise upgrading is continuous.

When the program began in 1978, a junior department was added. Since then, children's and women's large-size categories have been broken out into individual departments. In addition, each department in women's ready-to-wear is now clearly signed. Fashionable presentation is accomplished with cubes, rounds, mannequins, S- and T-racks.

Based on increased sales that resulted from these improvements, executives decided to capitalize further on the women's apparel success by moving the department up front.

"The second move, positioning the department in the front of the store near the jewelry department, was to put it all together," Dennenberg explained.

Back-to-school buying, merchandising and promotions show the trade-up in action.

Using popular mass merchant manufacturers (Nichols eliminated low-end manufacturers two years ago), higher-price-point merchandise was brought in by a revamped buying staff that put an emphasis on fashionable coordinates.

The low end was lifted from the $1-$3 range to $7, Dennenberg said, adding that some skirt sets now retail for as high as $39.

Such items, presented on modern feature fixtures, are arranged as an outfit to soften the impact of the higher ticket and to stimulate multiple sales.

Multiple sales are a new promotional tack at Nichols, which long concentrated on stacking low-priced merchandise on aisle tables for fast turns.

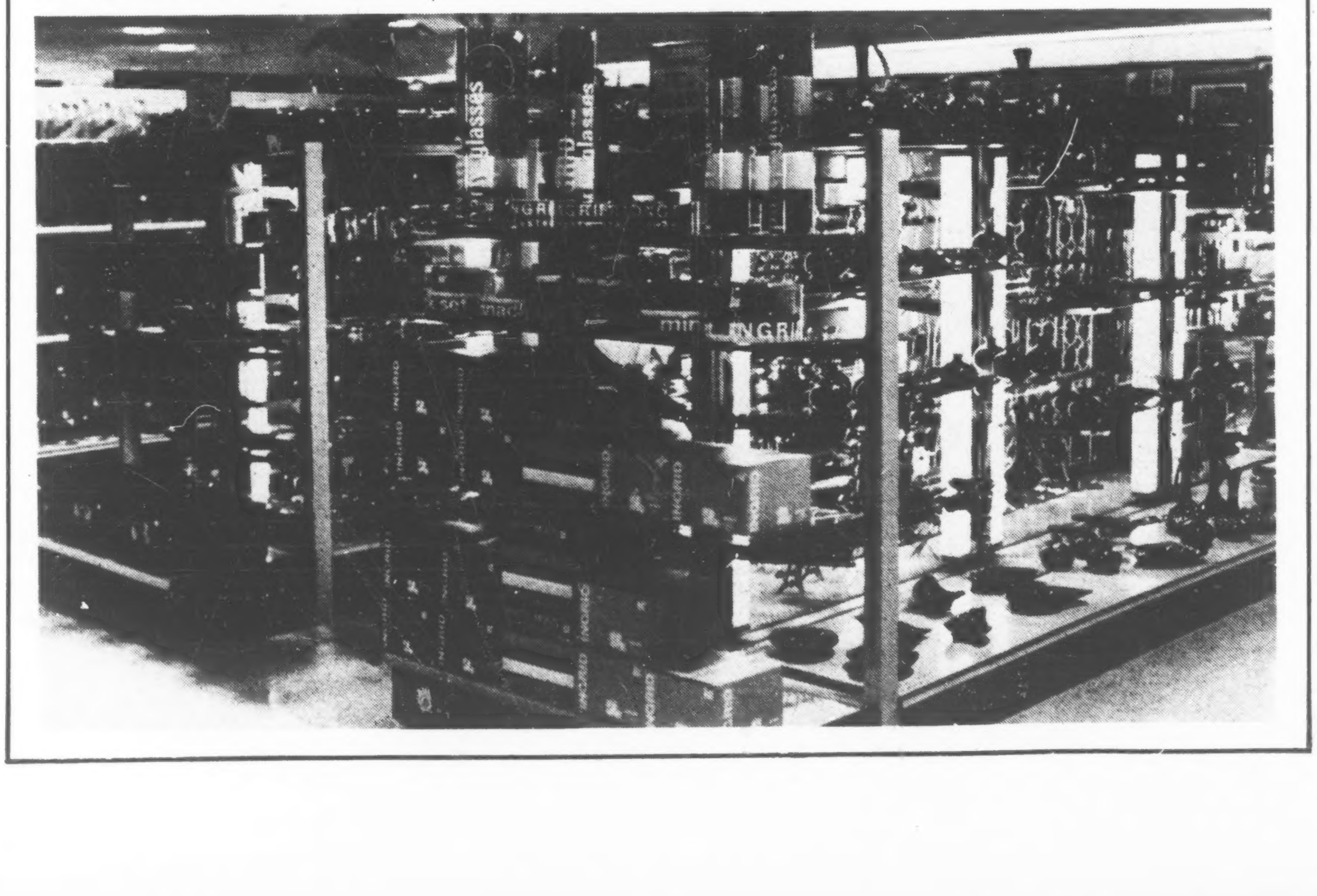
"Promoting low-end apparel

(Continued on page 27)

Spotlight on: Giftware

Accent Lights, Glass Shelving Set the Mood

Ceramic giftware is dramatically merchandised at Gold Circle stores. Here, in one of the chain's Columbus, Ohio, units, customers are drawn to the department by the combination of fluorescent accent lights and glass shelving which show off all features of the merchandise. Endcaps employ the chain's more typical stock-and-display approach. (DSN photo)



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To Our Subscribers

Due to rising publishing costs, we are increasing our subscription rates for Discount Store News, effective Oct. 1, 1980.

New rates: one year (24 issues)—$7.50; two years (48 issues)—$14. To manufacturers and manufacturers reps: one year—$20.

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Vol. 19, No. 18 Sept. 8, 1980

King's Is Expected to Acquire Barkers

(Continued from page 1)

one to King's. Greenberg estimated that 60%-70% of the chain's past growth has come from acquisition. The most recent takeover was Mammoth Mart. In 1977, King's paid $43 million for the 57-unit chain.

There is little direct market overlap between Barkers and King's. While the two chains currently operate in several of the same Eastern States, it is in only one city—New Milford, Conn.—that they square off against each other.

The acquisition of Franklin Stores, which would operate as a separate entity, would afford King's "a wonderful way to get into the specialty apparel business," according to Greenberg.

The consolidation of Barkers and King's, the executive pointed out, would demand a reduction of merchandising and financial staffs. In addition each Barkers store would be considered for layout changes. "The changes would not be made in one fell swoop," said Greenberg. "We will be looking carefully at each situation.

Greenberg's enthusiasm over the possible acquisition, however, was not shared by some industry analysts, who suggested the merger could lead to litigation over what one viewed as a conflict of interest on Cornwall's part.

"The chances of a lawsuit are very high," said Fred Kopf, at Dean Witter Reynolds. "Both Barkers and Franklin are [financially] mediocre chains. It's quite possible that shareholders will feel that King's is dissipating their money to buy a poorly performing discount chain. They are going to wonder if the move was made with their best interests in mind."

Greenberg disagreed with this evaluation, countering:

"If we weren't trying to do this thing fairly, it wouldn't have taken us so long to get to this point."

The toughest problem ahead for King's under the proposed consolidation plan could be what some observers cite as the chain's lack of management talent.

The departures of King's founders, Aaron O. Cohen and Murray Candib, after Cornwall bought out their interest, the resignation of William Kenney as chairman of the executive committee, as well as the abrupt departure of president Bernard Litwak this spring, have left the chain without the management team observers feel it would need to keep the operation on a steady course and to absorb the sudden expansion.

Litwak, who stepped in as president last summer, departed in March for FedMart, San Diego. Until his arrival, the top spot had been empty. The chain lost its only heir apparent, Paul Kwasnick, two years ago during another around of merger talks, at that time with W. R. Grace.

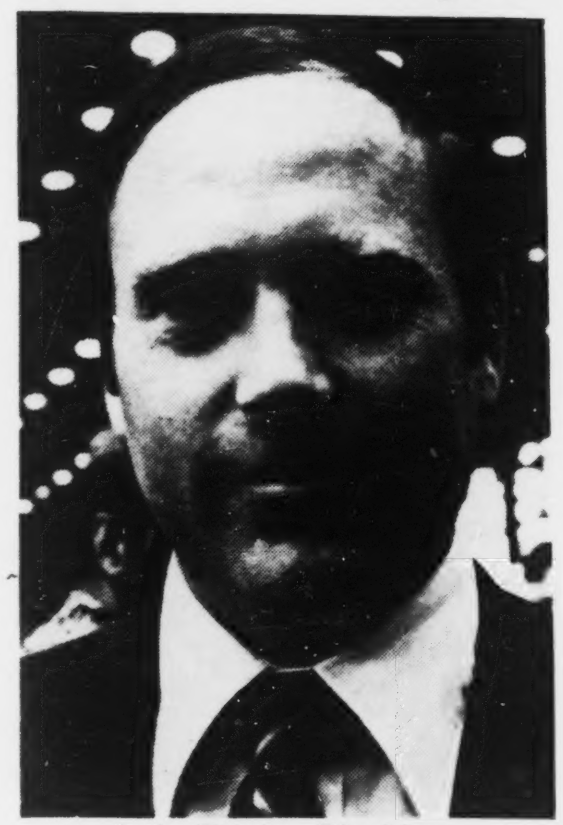
Observers now question whether Sol Kittay, Cornwall's chairman, and the latest president of King's will continue to head up the company or if he will turn the chain over to a new president. (Kittay is well known as an entrepreneur who runs his own show. Observers wonder if he has the team-mindedness necessary to guide the chain through this transition.)

While King's stores may not be as visually impressive as some discount operations, observers give the chain credit for turning in an impressive financial performance in past years. While DSN projections indicate flat sales for the current fiscal year, the chain has had a steady growth pattern over the years.

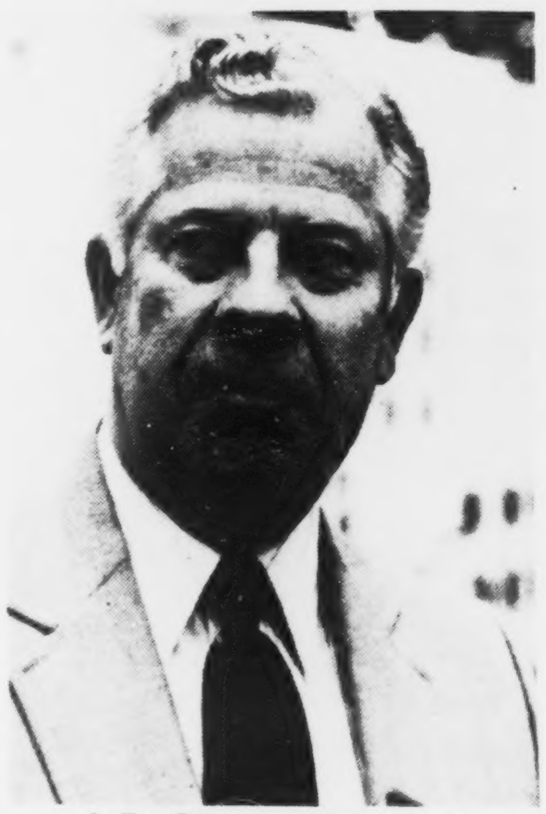
King's sales reached $576 million in the most recently completed fiscai year, a gain of 6.6% over the previous year's volume. The chain is expected to ring up $595 million this year. Last year, Barkers' sales were estimated by DSN at nearly $300 million.

"King's was always an ugly duckling, but it is also a survivor," noted Dean Witter's Kopf. "While many chains were spending money on expansion and losing their shirts, King's management was always sticking their money in the bank, saving for a rainy day. It's always been run with a good deal of self-discipline, and always paid dividends. You've got to give them credit."

Hardware Buyers Are Chipper



Lyle Davis, Clarkins



J. D. Caveny, T.G. & Y.

(Continued from page 3)

counter interest. Many chains with stores in the northern half of the country carried snowblower inventory into this year because it failed to snow much last winter.

Discounters were looking to manufacturers for new products this year—as well as for greater co-op advertising allowances, better shipping terms and show deals.

On show deals, some agreed with Fred Meyer's Tripp who noted that few manufacturers had enough excess production this year to allow for show deals.

Others, discounters, interested in increasing their co-op allowances, found manufacturers much more willing to listen to their requests than in years past. The reason: Manufacturers were feeling the double pinch of depressed consumer sales and trimmed discounters' inventories.

For spring, discounters were still looking at string trimmers. Despite the category's staple status, the product still gets plenty of discounter attention. This year buyers looked closest at the newer gas-powered models.

Gas grills and electronic bug killers continued to come on strong, and more manufacturers moved into the field. Lawn mowers also generated discounter interest, but buyers were still talking about the cost hikes that hit the category last year.

A search for new products and more do-it-yourself related items took more discounters to McCormick Place West this year. By opening the show annex a day earlier than McCormick Place, and putting the new-product exhibition there, show promoters were able to draw more traffic to the building materials exhibition.

Buyers from chains not heavily into home improvement were looking at products there and making decisions for 1981 mixes. For example, merchandisers from Ann & Hope were among those looking at home improvement products, but they would not reveal their plans.

Other chain representatives were out looking for new products, and several new wrenches and an automatic nail feed hammer were getting a lot of attention.

"A new hand tool could turn out to be just right for Christmas. Even if it seems a little too gimmicky for a handyman, we know his family will probably buy it for him for Christmas," reported a buyer for The Treasury.

Many Discounters Shave Operations Costs

FIRST-HALF EARNINGS

	1979	1980	% change
Wal-Mart	$15,568,000	$20,610,000	+ 32.4%
Heck's	4,641,000	5,638,000	+ 22
Ames	2,604,000	2,880,000	+ 11
Zayre	1,805,000	(469,000)	—
K mart	135,300,000	98,900,000	– 26
Woolworth/ Woolco	29,761,000	26,787,000	– 10
Pamida	298,000[1]	267,000	– 12
Mars	8,324	92,208	+1,107.8
May Dept. Stores	29,467,000	27,676,000	– 6.1
Penney	51 million	19 million	– 62
Sears	343.6 million	191 million	– 44.2
Ward	5 million	(82 million)	—

[1] After $1.4 million loss from discontinued operations and $2.2 million estimated loss on disposal of an operation.
( ) Loss.

(Continued from page 1)

last year's $15.6 million. A chain spokesman attributed the results to first-half sales gains of nearly 30% and to the chain's "diligent work" in tightening expenses and maintaining low price velocity. The chain's promotional activity was kept to a level comparable with last year's—a factor, the spokesman said, that helped the chain maintain margins.

FedMart, a chain, which reported a $1.6 million loss in the year to date (down from the $13.8 million reported loss in the last fiscal year), is reaping some benefits from cost-cutting policies put into effect during the current fiscal year.

The chain created the position of energy conservation manager whose responsibilities include developing ways to cut costs and to monitor energy usage at store level. Further help came from a computerized energy conservation system installed in several test stores this year.

At presstime, ALCO's earning figures were not yet in, but officials believed that profits would be down slightly. Sales to date are off by 5% on a store-for-store basis, they reported.

In April, the chain started a profit protection plan, which led to cutbacks in administrative and travel expenses, and watching of fixed costs, such as insurance and rents.

Officials are also using computers to monitor profits and sales on a per-store basis and have already cut hours where slow sales performance so indicated.

T.G. & Y. adjusted its game plan this summer in response to tough competitive circumstances.

To draw traffic, the chain upped its advertising costs two-tenths of a per cent over this year's budget allotment and ran two extra newspaper ads in June, July and August, according to Dan Kelly, the chain's senior vp, store operations.

Kelly estimated that each ad cost the chain $350,000 in extra advertising expenditures.

The chain is moving ahead with cost-cutting policies in energy, maintenance, warehouse and store-level man-hour productivity, and hours scheduling, Kelly added.

Target Stores was another discount chain that chose to go after traffic, at the expense of margins, according to a parent Dayton Hudson spokesman, who reported slight profit declines in the first half of Target's fiscal year.

K mart too posted a substantial earnings decrease for the first half of 1980. Officials linked this performance to the continued weakness in consumer demand, increased promotional activity, and inflationary pressures on expenses. For the second quarter, income fell 26.9% to $98.9 million from last year's comparable-period earnings of $135.3 million.

K mart to Test Full Race-Track Aisle

(Continued from page 1)

stores will be comparable to that unveiled in the New Jersey store in May.

"We have moved quickly in soft lines," Fauber said, adding that the race-track apparel presentation would not depart significantly from the department first tested in the Lodi store.

Four other K mart stores—three in Fayetteville, Ark., and one in Atlanta—are also being fitted with the new apparel race track. Only in Atlanta, will the presentation vary significantly from the Lodi prototype.

(As Lodi was being remodeled, chain sources told DSN that the Wayne, N.J., store was next in line for the race-track presentation. The decision has now been made to bypass that unit in favor of more comprehensive testing in three other markets.)

Fayetteville, home of the University of Arkansas, was selected because it allows the chain to do a multiunit test in a market with a young population, which is also a stronghold of a major competitor, Wal-Mart. Also, because one of the Fayetteville units is new it gives the chain a chance to measure sales with the new presentation in a new store.

Atlanta was chosen to give the chain a test market with a more affluent consumer base.

By moving upscale in Indianapolis and Atlanta, K mart will also have the opportunity to see how its new merchandising efforts measure up against those of more established upscalers, Ayr-Way (expected soon to be Target; see DSN Aug. 11) and Richway.

K mart sources asserted that the discounter still considers the new apparel presentation a test. Merchandisers are pleased with the results so far, but top executives want an in-depth look before they commit the chain to the massive investment required to convert all of the stores.

Anticipate Fuel Curbs

(Continued from page 8)

shortage comparable to last summer's supply crunch could prompt at least temporary restrictions on weekend gas sales, odd-even-day purchase requirements and other regulations certain to affect consumer shopping patterns.

There's little if anything that chains can do to prevent a sharp drop in traffic during the next major fuel shortage, but there are some precautions that mass merchandisers can take now to protect their supply lines in the event that Government conservation mandates are triggered:

1—Convert to diesel-powered vehicles. Unlike gasoline, diesel fuel will not be affected by the Federal coupon rationing plan, so chains and suppliers with a hefty proportion of diesel vehicles in their company fleets figure to be way ahead of the game.

2—Develop statistics on company-wide gasoline consumption. If rationing is ordered, chains will be entitled to special business supplements—but only after D.O.E. reviews each firm's historic gas purchase patterns on a case-by-case basis. Companies supplying this documentation at the last minute may have to wait months for their supplements, but chains furnishing information to D.O.E. in advance will get their extra allotments promptly.

3—Work up standby emergency plans of your own. A number of large retail chains have already developed in-house "doomsday" contingency plans, including emergency van pooling systems to insure that each unit will be manned by a minimum number of employers at all times.

HOUSEWARES

These housewares PMA figures are for the June 1-July 30 period. They were supplied by Bacar Inc., Distributors, San Jose, Calif., and cover 1,300 stores, including 200 discount department stores. Average retail prices listed by the distributor reflect typical price points for discount clients.

TABLETOP

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Expressions 20-pc set, Wldflwr	709	63.09	44,730.81
2	5	Corelle 20-pc set, Woodland	651	38.28	24,920.28
3	6	Corelle 20-pc set, white	677	36.36	24,615.72
4	8	Corelle 20-pc set, blue	636	38.28	24,346.08
5	7	Expressions 20-pc set, Meadow	361	63.09	22,775.49
6	2	Expressions 20-pc set, Indn Smmr	359	63.09	22,649.31
7	3	Corelle 20-pc set, gold	587	38.28	22,470.36
8	4	Corelle 20-pc set, green	567	38.28	21,704.76
9	10	Expressions 20-pc set, Batik	210	63.09	13,248.90
10	14	Expressions 20-pc set, Bl Hthr	96	63.09	6,056.64
11	—	Corelle large plate, white	660	8.23	5,431.80
12	13	Royal China 20-pc set, Frolic	122	36.45	4,446.90
13	—	Pyrex 1-qt wine decanter	536	7.20	3,859.20
14	—	Corelle medium bowl, white	465	7.29	3,389.85
15	—	Corelle 10-oz bowl, white	519	6.51	3,378.69

GLASSWARE

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4	Wheaton 1-gal sun tea jar w/lid	3,367	4.14	13,939.38
2	1	Libbey 6½-oz tll wn, Cttn	1,446	5.94	8,589.24
3	—	Libbey 24-pc set, Tawny Tropical	281	24.30	6,828.30
4	5	Libbey, 10-oz goblet, Citation	1,092	5.94	6,486.48
5	2	Libbey 6½-oz rd wn, Cttn	813	5.94	4,829.22
6	15	Libbey, 24-pc Chivalry	189	23.40	4,422.60
7	—	Libbey 12-oz bev, Chivalry, 4-pk	948	4.32	4,095.36
8	3	Libbey, 11-oz wht wn, Cttn	668	5.94	3,967.92
9	—	Libbey 10-oz rocks, Chivalry, 4-pk	917	4.05	3,713.85
10	—	Anchor Hocking 1-gal jr w/tn mtl cvr	1,054	3.42	3,604.68
11	13	Libbey, 6½-oz shrbt, Cttn	599	5.94	3,558.06
12	—	Libbey 8-pc Vin Connoisseur set	282	11.88	3,350.16
13	—	Libbey 12-oz bev, Jasmine, 4-pc	654	5.04	3,296.16
14	—	Libbey 12-oz bev, Breadworks, 4-pc	779	4.23	3,295.17
15	—	Libbey 12-oz bev, Cluster Cut	714	4.59	3,277.26

COOKWARE

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	6	Columbian, 7-qt canner jar, blue	2,946	17.77	52,350.42
2	2	Wear-Ever 10" fry pn, Prfrrd SilverStone	3,795	9.89	37,532.55
3	13	Revere, 3½-qt tea kttl, cp-brm	693	21.60	14,968.80
4	5	Revere 2⅓-qt whst tea ktl, cop btm	1,078	13.49	14,542.22
5	4	Nordic Micro-Go-Round	284	44.99	12,777.16
6	—	T-Fal 10" Skillet	691	15.28	10,558.48
7	—	Nordic micro bacon/meat rack	1,416	7.19	10,181.04
8	11	Anchor-Hocking micro bacon rack	1,590	6.02	9,571.80
9	1	Regal 10" skillet, SilverStone	917	9.89	9,069.13
10	—	Nordic 12-pc formed bundt pan set	1,254	6.74	8,451.96
11	—	Gen Housewares 8-qt 5-pc Evrythng Pt	455	17.99	8,185.45
12	—	Revere 2⅓-qt tea ktl, cppr	512	15.29	7,828.48
13	—	Jeannette 2-qt round glass casserole	828	9.00	7,452.00

GADGETS

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Lux timer, minute minder	1,314	6.28	8,251.92
2	10	Foley jar lifter	2,466	2.87	7,077.42
3	—	Swing-A-Way hand cn opnr, hrvst	1,524	3.58	5,455.92
4	6	Swing-A-Way hand cn pnr, choco	1,399	3.58	5,008.42
5	—	Grayline jumbo shelf	1,311	3.77	4,942.47
6	—	Swing-A-Way jr hnd cn pnr	2,379	1.79	4,258.41
7	11	Bromwell large grtr, stnlss	1,344	3.15	4,233.60
8	—	Grayline 2-tier ice tray rack	1,842	2.24	4,126.08
9	5	Range-kleen 6" reflect pn, GE	2,976	1.35	4,017.60
10	—	Tricolator 3½" Norelco fltr ppr	2,736	1.43	3,912.48

PLASTICS

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	—	Loma 32-gal trash can, Avocado	4,254	12.59	53,557.86
2	2	Flambeau ice pop maker	12,672	1.78	22,556.16

(Continued on page 16)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Micro Extras, Seasonals Spice Basics Recipe

By Jerry Falk

Executive Vice President, Bacar Inc., Distributors

Microwave cooking accessories and such seasonal items as corn skewers and jar lifters were among the leading West Coast housewares sellers in the Product Movement Audit covering June 1 through July 30.

The heart of the PMA, however, was captured by everyday items such as can openers and freezer storage containers—which discounters and other retailers knew from past experience drew customers on a steady basis.

The economy, in fact, has resulted in discounters going with a merchandising plan for the rest of 1980 that calls for promoting housewares heavily—and from within basics. This programming was evident from discussions with retailers and vendors during the housewares show in Chicago and from actual orders placed by discounters during the past two months.

Among the dozen housewares that showed up for the first time on the PMA were a Sterilite corn skewer, No. 8 in

(Continued on page 16)

Newcomers, Climbers

The following "New Items" chart lists the products (and their rank) that are appearing on the Bacar Inc. distributors housewares PMA for the first time. In addition, under the heading "High Risers" are items (and their rank) that have moved up five or more places from the previously published report.

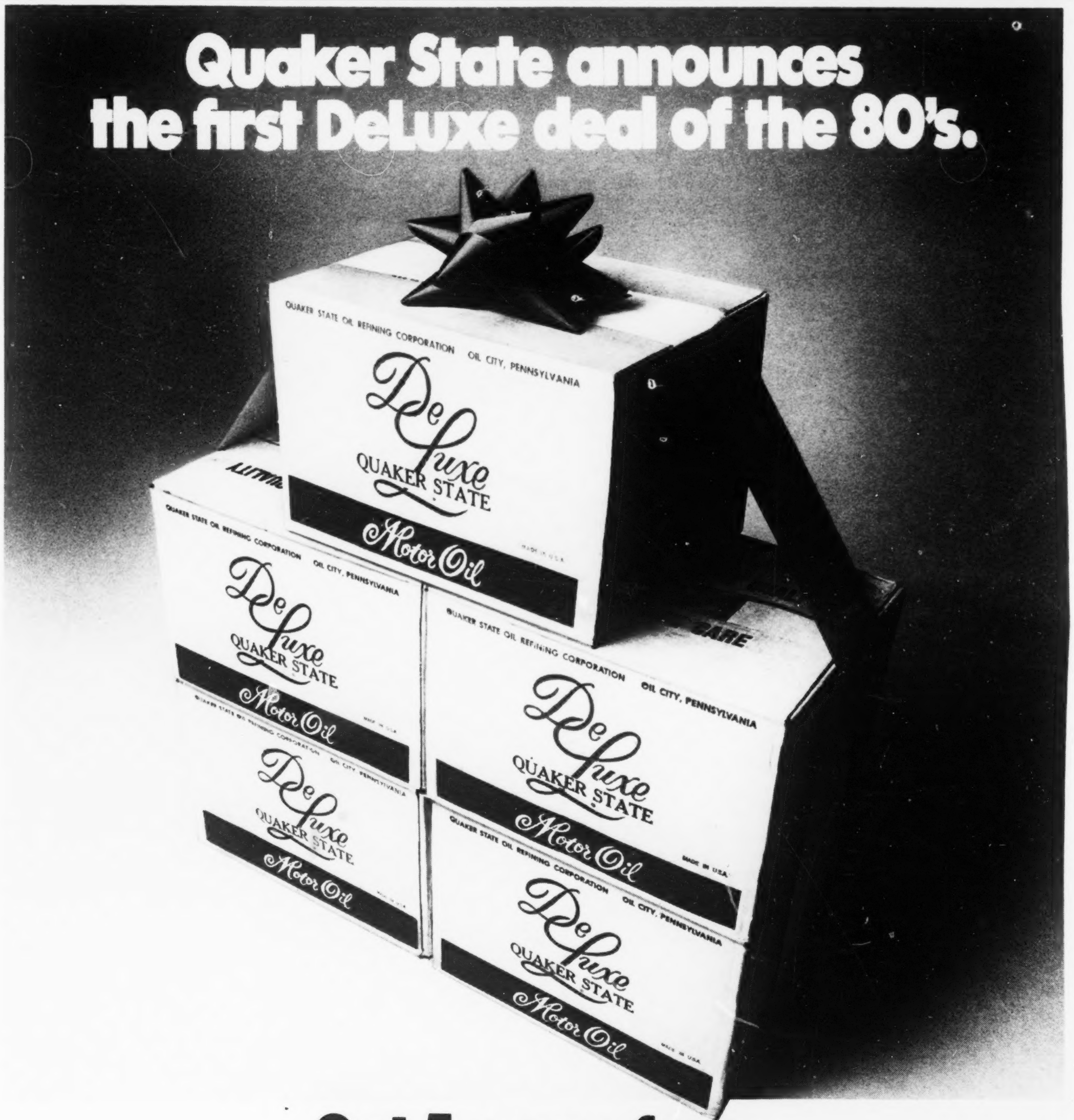
NEW ITEMS

Category/Item	Rank
TABLETOP	
Pyrex 1-qt wine decanter	13
GLASSWARE	
Libbey 24-pc set, Tawney Tropical	3
Anch Hocking 1-gl jr w/tn cvr	10
Libbey 12-oz bev, Jasmine, 4-pc	13
Libbey 12-oz bev, Brdwrks, 4-pc	14
COOKWARE	
Gen Hswr 8-qt 5-pc Evythng Pt	11
GADGETS	
Graline 2-tier ice tray rack	8
Wall 15" skewer, 4-pk	12
Ekco garlic press	14
PLASTICS	
Sterilite corn skewer	8
CLEANING & CHEMICALS	
Roll-O-Matic refiill sponge	11
CORNINGWARE	
Ceramic rack	8
2½-qt Ovl cssrl, French Wht	15

HIGH RISERS

Category/Item	Rank
TABLETOP	
Corelle large plate, white	11
Corelle medium bowl, white	14
Corelle 10-oz bowl, white	15

(Continued on page 16)


Quaker State announces the first DeLuxe deal of the 80's.

QUAKER STATE OIL REFINING CORPORATION OIL CITY, PENNSYLVANIA
DeLuxe
QUAKER STATE
Motor Oil

Get 5 cases free when you buy 45 cases of Quaker State DeLuxe Motor Oil.

During Quaker State's DeLuxe deal, you not only get five free cases, you earn Quaker State's 125% ad allowance by advertising Quaker State DeLuxe Motor Oil exclusively. In addition, there's no limit on the number of cases you can buy and still get Quaker State's DeLuxe deal.

By the way, Quaker State is holding the price of its DeLuxe Motor Oil firm during this promotion. That means your mark-up remains high. Now that's what we call a DeLuxe deal.

And you can get it between now and October 15, 1980.

Quaker State helps build profits.

Discount Store News

PMA

PRODUCT MOVEMENT AUDIT

HOUSEWARES

(Continued from page 6)

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
3	5	Republic 1-qt uprite Freezette set	2,796	2.69	7,521.24
4	6	Republic 1-pt uprite Freezette set	2,604	2.69	7,004.76
5	3	Frigidaire ice cube tray	3,311	1.79	5,926.69
6	—	Eagle Superseal 5-qt bowl w/lid	1,504	3.59	5,399.36
7	—	Eagle Superseal cake saver	1,092	4.94	5,394.48
8	—	Sterlite corn skewers	6,972	0.71	4,950.12
9	—	Eagle Superseal bread saver	1,098	3.95	4,337.10
10	—	Eagle Superseal fruit & vegetable saver	1,020	4.13	4,212.60
11	—	Republic 1-qt Freezette rfrgrtr bttl	4,272	0.98	4,186.56
12	12	Republic 1-gal Freezette rfrgrtr bttl	1,560	2.51	3,915.60
13	8	Republic 1½-pt uprt Frztt st	1,392	2.69	3,744.48
14	—	Eagle 2-qt juice decanter, clear	2,232	1.52	3,392.64
15	—	Republic 12-oz uprite Freezette	1,200	2.69	3,228.00

CLEANING & CHEMICALS

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	4	Roll-O-Matic sponge mop	2,664	9.45	25,174.80
2	1	National corn broom, economy	4,559	3.50	15,956.50
3	5	O-Cedar angler broom	2,561	5.59	14,315.99
4	10	O-Cedar Light & Easy sponge mop	2,040	5.59	11,403.60
5	2	Mop-A-Matic sponge mop	1,054	10.26	10,814.04
6	—	Empire 18" push broom, Palmyra	1,326	7.19	9,533.94
7	—	3-M Scotch Brite scouring pad	13,488	0.58	7,823.04
8	6	Magla latex gloves, medium	5,856	1.16	6,792.96
9	—	3-M Kitchen Scrub sponge	10,104	0.62	6,264.48
10	—	Protecto moth ball, 10-oz box	4,512	1.34	6,046.08
11	—	Roll-O-Matic refill sponge	1,920	3.13	6,009.60
12	11	Quickie automatic sponge mop	948	6.29	5,962.92
13	13	McClung corn broom, sunflower	600	7.46	4,476.00
14	—	Hoover vacuum bags, upright	4,892	0.90	4,402.80
15	9	Magla latex gloves, large	3,732	1.16	4,329.12

BATH SHOP

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Grayline large shower caddy	5,634	4.85	27,324.90
2	5	Grayline shower caddy	1,992	2.96	5,896.32
3	7	Selfix shampoo spray	2,262	1.88	4,252.56
4	—	Counselor bath scale, white	232	8.99	2,085.68
5	—	Counselor bath scale, brown	228	8.99	2,049.72
6	4	Borg scale, Futura, white	126	13.94	1,756.44
7	6	Kellog bowl brush, plastic	1,968	0.89	1,751.52
8	2	Borg scale, Futura, brown	125	13.94	1,742.50
9	12	Selfix port wall/hand shower	202	8.54	1,725.08
10	—	3-M toilet bowl brush	648	2.60	1,684.80
11	8	Empire bowl brush w/wood handle	1,908	0.88	1,679.04
12	3	Borg scale, Future, gold	111	13.94	1,547.34
13	—	Counselor bath scale, yellow	169	8.99	1,519.31
14	13	Borge scale, Williamsburg Gold	71	20.99	1,490.29
15	—	Borg scale, Feminique, brown	51	22.49	1,146.99

(Continued on page 17)

Micro Extras

(Continued from page 6)

plastics; a Wall 15-in. skewer, No. 12, and an Ekco garlic press, No. 14 in gadgets, and General Housewares' 8-qt., 5-pc. Everything Pot, No. 11 in cookware. They are items heavily used during the canning season and for outdoor barbecue cooking, both of which reach their peak during the four months ending in September.

Corning Ware's French White pattern, which has become a big seller, made the new-product listing: a 2½-qt. oval casserole showed up as No. 15 on the Corning listing.

The big boom in microwave cooking accessories was evident in both the cookware and Corning charts.

In the former, four items geared for microwave use showed up, three of them specifically listed as microwave accessories, and two were high risers. The high risers were a Nordic micro bacon meat rack, No. 7, and a Jeannette 2-qt. glass casserole, No. 13. The other two items were a Nordic Micro-Go-Round, No. 5, and an Anchor Hocking micro bacon rack, No. 7.

The six items on the Corning report that were specifically designated as microwave cookware included one new item, a ceramic rack, No. 8, and one high riser, a 10-in. microwave browning skillet, No. 2. The other items were a microwave browning grill, which captured the top selling spot; Grab-"4"-It set, No. 6; microwave set, No. 9, and a Casser-ette, No. 10.

The growth of microwave cookware accessories on the PMA has been powered by Corning Glass for products made of glass and glass/ceramic, and by Anchor Hocking for plastic merchandise. Other

(Continued on page 17)

Newcomers

(Continued from page 6)

GLASSWARE

Libbey 24-pc set, Chivalry	6
Libbey 12-oz bev, Chivalry, 4-pk	7
Libbey 10-oz. rocks, Chivalry 4 pk.	9
Libbey 8-pc Vin Connoisseur set	12
Libbey 12-oz bev, Cluster Cut	15

COOKWARE

Revere 3½-qt tea kttle, cop-btm	3
T-Fal 10-in skillet	6
Nordic micro bacon/meat rack	7
Nordic 12-pc formed bundt pan set	10
Revere 2⅓-at tea kttle, cooper	12
Jeannette 2-qt rnd gls cssrl	13
Revere 8-qt stock pot, cop-clad	14
Wear-Ever 12 in fry pn, Prf, SlvStn	15

GADGETS

Foley jar lifter	2
Swing-A-Way hand can opnr, hrvst	3
Grayline jumbo shelf	5
Swing-A-Way jr hand can opener	6
Trcltr 3½-in Norelco fltr ppr	10
Taylor meat thermometer	11
OK 12 x 13-in over-sink board	15

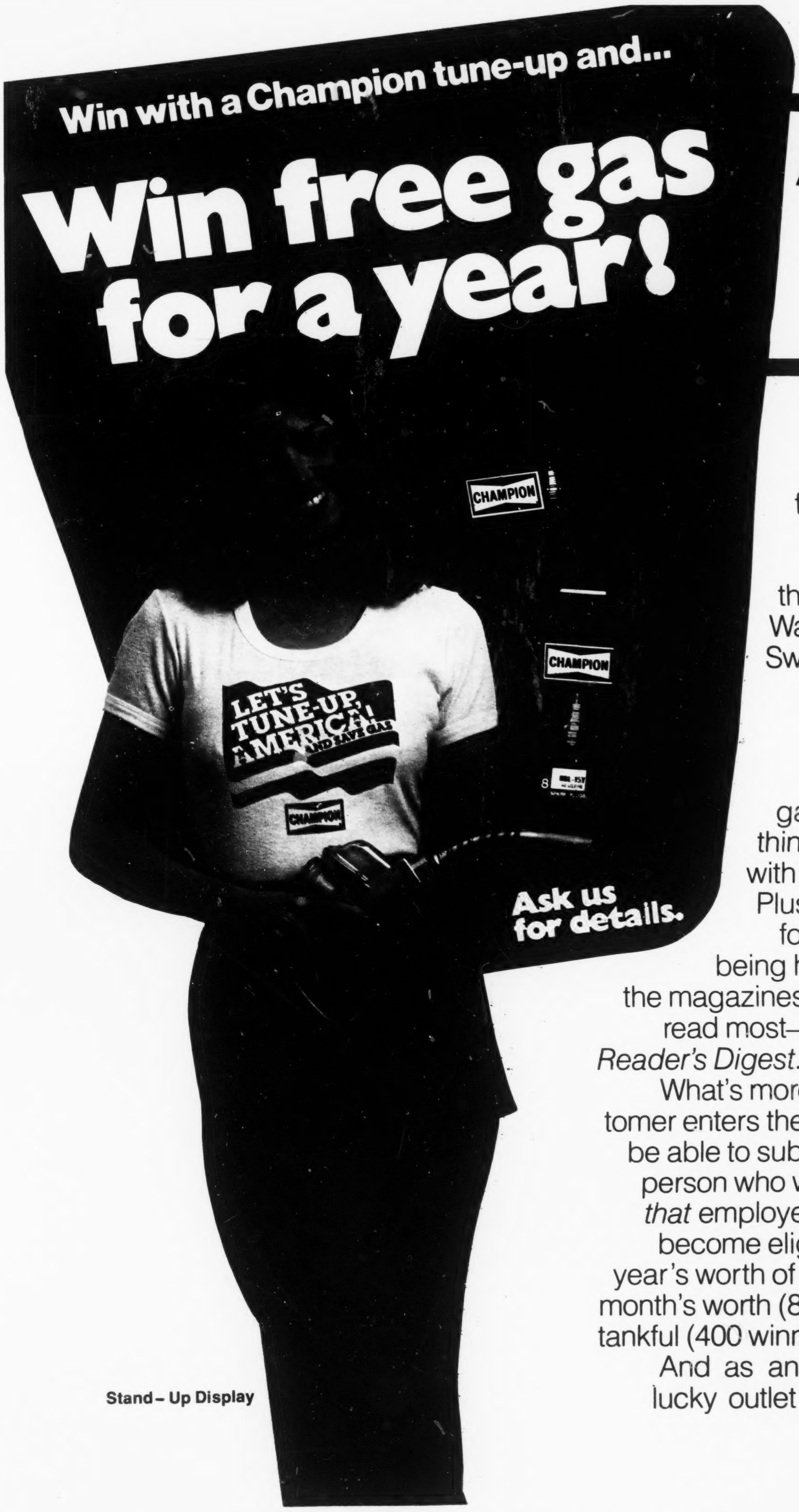
PLASTICS

Loma 32-gal trash can, avocado	1
Eagle Superseal 5-qt bowl w/lid	6
Eagle Superseal cake saver	7
Eagle Superseal bread saver	9
Eagle Superseal frt & vgtbl svr	10
Republic 1-qt Freezette ref btle	11
Eagle 2-qt juice decanter, clear	14
Republic 12-oz uprite Freezette	15

CLEANING & CHEMICALS

Empire 18-in push broom, Palmyra	6
3-M Scotch Brite scouring paid	7

(Continued on page 17)


Win with a Champion tune-up and...
Win free gas for a year!
CHAMPION
LET'S TUNE-UP, AMERICA! AND SAVE GAS
CHAMPION
Ask us for details.

Stand-Up Display

A sales 500 from

Here's a special opportunity to get your employees fired up for fall. With a gas giveaway—and even more. In the big new "Win Two Ways with Champion" Sweepstakes.

First of all, we're offering your spark plug customers a chance to win free gas for a year. Something they'll appreciate with today's gas prices. Plus: this sweepstakes for your customers is being heavily promoted in the magazines spark plug buyers read most—like *TV Guide* and *Reader's Digest*.

What's more, every time a customer enters the sweepstakes, he'll be able to submit the name of the person who waited on him. Then *that* employee will automatically become eligible to win a whole year's worth of gas (20 winners), a month's worth (80 winners) or a free tankful (400 winners).

And as an extra bonus, one lucky outlet will be selected at

HOUSEWARES

(Continued from page 16)

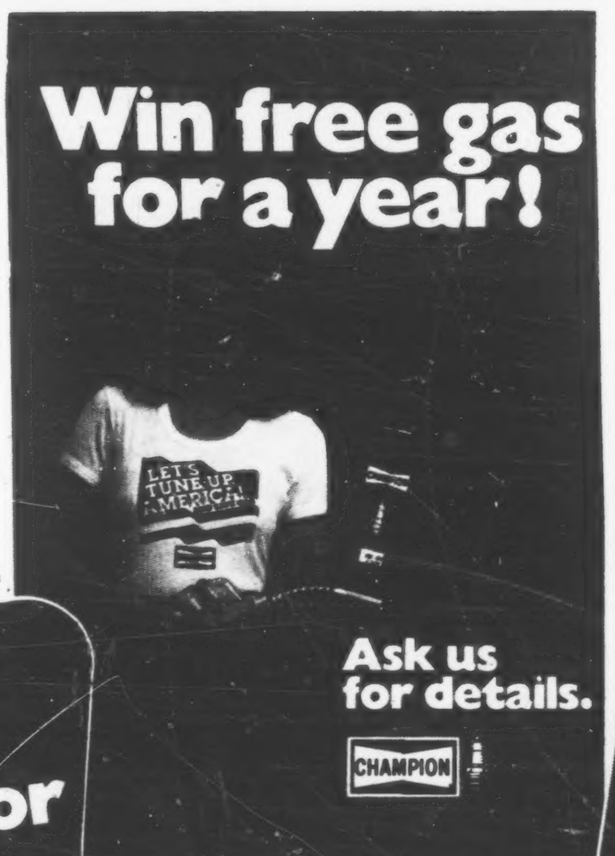
Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
		RUBBERMAID			
1	—	Small laundry basket, gold	27,262	0.80	21,809.60
2	—	32-gal Trash can, chocolate	599	22.45	13,447.55
3	—	32-gal Trash can, avocado	512	22.45	11,494.40
4	10	Single turntable, almond	4,566	2.06	9,405.96
5	13	10¾" hi Rectangle lndry bskt, choc	1,584	4.94	7,824.96
6	—	Roughneck 30-gal trsh cn, avcdo	348	22.45	7,812.68
7	—	15" hi Wastebasket, chocolate	1,817	4.04	7,340.68
8	—	Single turntable, gold	3,540	2.06	7,292.40
9	—	10¾" hi Rectangle lndry bskt, gld	1,344	4.94	6,639.36
10	15	Twin turntable, almond	1,730	3.58	6,193.40
11	—	Delux dish drainer, chocolate	1,102	5.35	5,895.70
12	3	12" Slide-out drawer, almond	727	8.05	5,852.35
13	—	Roughneck 30-gal trash can, choc	258	22.45	5,792.10
14	5	16" Slide-out drawer, almond	612	8.95	5,477.40
15	—	Delux dish drainer, almond	1,002	5.35	5,360.70
		CORNINGWARE			
1	1	Microwave browning grill	1,031	22.60	23,300.60
2	15	10" Microwave browning skillet	710	20.37	14,462.00
3	—	Counter-Saver, large, Spice	563	22.14	12,464.82

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
4	—	Counter-Saver, large, white	558	20.21	11,277.18
5	—	Cook's Choice set, Spice	188	56.39	10,601.32
6	10	Grab-"4"-It set	491	18.21	8,941.11
7	5	Kitchen Starter set, Wildflower	211	39.87	8,412.57
8	—	Ceramic rack	965	8.02	7,739.30
9	3	Microwave set	192	39.89	7,655.04
10	11	Casser-ette	1,139	6.52	7,426.28
11	—	6-cup Teapot, Wildflower	443	15.60	6,910.80
12	—	Counter-Saver, large, Wildflower	311	22.14	6,885.54
13	—	Cook's Choice set, Wildflower	119	56.39	6,710.41
14	14	2½-qt Casserole, Spice	355	17.74	6,297.70
15	—	2½-qt Oval casserole, French White	376	16.42	6,173.92
		PYREXWARE			
1	1	3-qt Oblong bake dish	5,145	4.55	23,409.75
2	2	2-qt Oblong bake dish	2,334	4.09	9,546.06
3	3	8-oz liquid measure	4,919	1.80	8,854.20
4	5	3-qt Utility dish w/basket	612	12.94	7,919.28
5	4	8" Square cake dish	2,051	3.47	7,116.97
6	7	2-liter Juice jar	2,915	2.35	6,850.25
7	8	6-oz Custard cup, 4 pack	2,302	2.73	6,284.46
8	—	4-pc Mixing bowl set, Woodland	468	13.09	6,126.12
9	6	1-pt Liquid measure	2,682	2.28	6,114.96
10	—	1-qt Liquid measure	1,818	3.19	5,799.42

booster for you, plus big prizes for employees—Champion.

random from the entries submitted, and will win free Champion spark plugs for a month.

Your Champion rep has all the details—along with some exciting free tie-in display materials plus all the entry blanks you'll need.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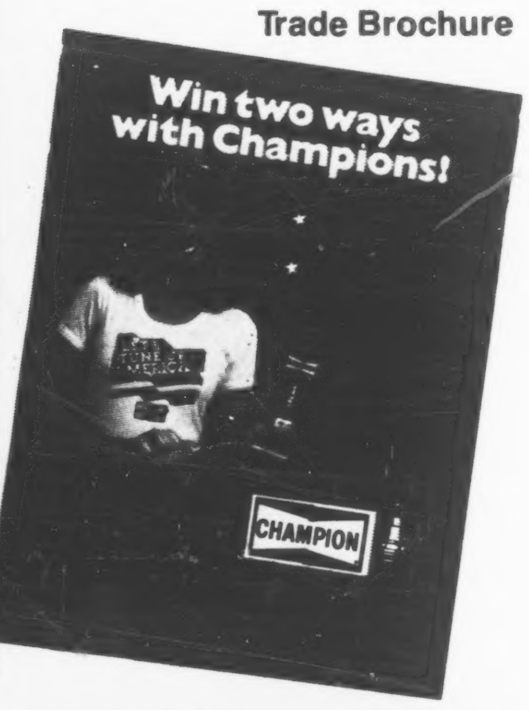
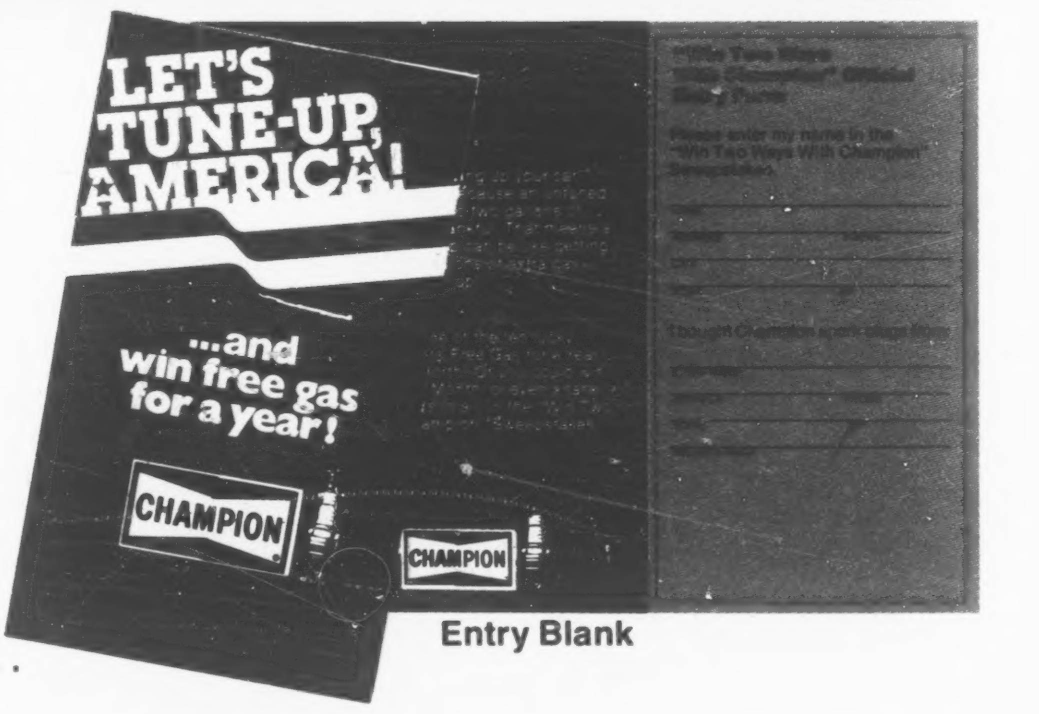

Trade Brochure

Counter Card
Win free gas for a year!
LET'S TUNE-UP AMERICA
Take One.
CHAMPION

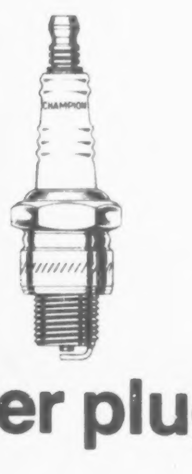

Entry Blank

Everybody wins with this one. You win because the consumer contest will be bringing in business... and your employees will be working extra hard to sell, because they can win free gasoline for themselves.

And even your outlet can win—a full month's worth of free Champion spark plugs.

See your local Champion rep for full sweepstakes details.

CHAMPION®



You can't sell a better plug.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Micro Extras

(Continued from page 16)

manufacturers such as Nordic have captured sales for specific specialty items.

An overall look at the PMA shows the importance of basics. In category after category, the best-selling items, for the most part, are those that are being featured by a cross-section of our customers as both promotions and as regularly priced items spotted on endcaps, in newspaper ads and on gondolas in high traffic locations.

In the bath shop area, for example, the three top items are two Grayline shower caddies followed by a Selfix shampoo spray.

In plastics, a highly promotable category, a Loma 32-gal. trash can was No. 1—32-gal. waste containers are a high demand item—and price promotions helped to propel Loma into the top spot. The balance of the listing was dominated by Republic Freezette and Eagle Superseal containers, both of which are always highly promoted at this time of year.

The demand for large-size waste containers carried over into the Rubbermaid area, where four large trash cans made the report. The goods included two Roughneck items, denoting consumer acceptance of this higher-priced merchandise which Rubbermaid has identified with a specific name.

The No. 1 product in glassware is Wheaton's 1-gal. sun tea jar. Items connected with the making of sun tea have become increasingly popular over the past six months.

As in previous reports, the tabletop listing was dominated by Corelle and Expressions, both of which are very heavily promoted. In fact, both are used as doorbusters but at very low profit margins for discounters. They are also strong catalog showroom items for use in newspaper ads and flyers.

Newcomers

(Continued from page 16)

3-M Kitchen Scrub sponge	9
Protecto moth balls, 10-oz box	10
Hoover vacuum bags, upright	14
BATH SHOP	
Counselor bath scale, white	4
Counselor bath scale, brown	5
3-M toilet bowl brush	10
Counselor bath scale, yellow	13
Borg scale, Feminique, brown	15
RUBBERMAID	
Small laundry basket, gold	1
32-gal Trash can, choc	2
32-gal Trash can, avoc	3
Single turntable, almond	4
10 ¾-in hi Rect laundry bskt, choc	5
Roughneck 30-gl trsh cn, avoc	6
15-in hi Wastebasket, choc	7
Single turntable, gold	9
Twin turntable, almond	10
Delux dish drainer, choc	11
Roughneck 30-gl trsh cn, choc	13
Delux dish drainer, almond	15
CORNINGWARE	
10-in Microwave browning skillet	2
Counter Saver, large, Spice	3
Counter Saver, large, white	4
Cook's Choice set, Spice	5
6-cup Teapot, Wildflower	11
Counter Saver, large, Wildflower	12
Cook's Choice set, Wildflower	13
PYREX	
4-pc Mixing bowl set, Woodland	8
1-qt Liquid measure	10
4-pc Bowl set, gold	11
2-qt Casserole w/basket	12
3-pc Mixing bowl set	15

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1980/81 Census: Index P. 2

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Discount Store News®

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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Discounters to Add 470 Stores, Hit $60.5B in '80

Nationwide DSN Report

Despite reports issued earlier in the year that some chains were curtailing their expansion plans in the face of a weakened economy and soaring construction and interest costs, most discounters forged ahead and are opening 470 new stores in 1980—25% more than they did last year—for a net gain of 32.8 million sq. ft. of selling space.

At the same time, with consumers under pressure to cut back on their spending, general merchandise sales volume is rising 11% industrywide to a record $55 billion—$60.5 billion including food. This, according to the 19th annual *Discount Store News* census.

Along with their decision not to step back from their original expansion plans, discounters kept their resolve to build smaller stores, and to continue positioning themselves in the country's smaller, more rural markets.

The average store size of units built during the year is 70,600 sq. ft., trimmer than the average (70,646 sq. ft.) store built in 1979, and 1,470 sq. ft. smaller than the average store built five years ago.

At the same time that this scaling down has helped discounters keep a lid on start-up and operating costs, it has also forced them to become more efficient operators. That this effort continues to pay off is evident in increased sales per square foot productivity, which are projected to rise 8% this year to $110.79 (including food).

Average sales per store are rising from $7.6 million to $7.8 million this year.

Further bolstering the bottom line are sales from specialty and formerly leased departments.

In 1980, discounters continued to boost store sales by adding more service departments to their mix and by taking over operation of still more of the departments previously run by lessees.

TBA centers, pharmacies, dental clinics and optometry services head the list of profitable consumer services discounters are continuing to install in their stores.

Only in shoes do lessees continue to retail significant control—43%—of discounter business. But even here, their representation is diminishing, as discounters under pressure to improve sales productivity continue to find that their own organizations can successfully and profitably handle the category.

In 1980, the Sunbelt continued to lure discounters. This year for the first time, the (10) Southeastern States will have the greatest number of discount stores within their boundaries—1,595 units by year's end—an 11% increase in unit growth over last year. This overturns the regional lead historically held by the East Central States.

Conversely, major metro market new-store gains are dropping 35% from last year, with only 110 new stores (vs. 168 last year) slated to open in the most densely populated sections of the country in 1980.

Texas, Alabama and Georgia are the states most often chosen by discounters as sites for new store growth. But here, too, only 15 of 83 stores to be opened in the three states were scheduled for metro markets—and of these, nine were targeted for the rapidly growing Dallas-Fort Worth area.

Unit growth throughout the

(Continued on page 132)

Heck's Buys 5 Mr. Wiggs to Solidify Ky. Base

CHARLESTON, W. Va.—Heck's is looking to solidify its 16-unit market hold on Kentucky and to take advantage of advertising economies, with its acquisition earlier this month of five Mr. Wiggs units there, according to Ray O. Darnall, the chain's president.

Darnall added that the move does not mean the company has changed its mind about actively seeking a purchaser for its discount operation.

"If a good offer came along, we would certainly consider it, but we have never slowed down our expansion because of this decision," he said. "We aren't going to roll over and play dead at this stage in the game."

A year ago Heck's management began looking for a suitor to give Fred Haddad, chairman, an opportunity to cash in his extensive stockholdings in the profitable chain.

Ranging from 50,000 to 60,000 sq. ft. in size, the newly acquired stores include three major units in Lexington, the second largest city in the state, as well as in Hopkinsville in the southwestern sector of the state, and in Owensboro to the northwest. All five stores represent new city entries for Heck's.

"The new stores give the company access to important markets, including in-depth penetration of the key Lexington market," said Haddad.

The Mr. Wiggs stores, which will be closed for redecoration, will open again in October under the Heck's logo. The purchase stretches the chain's current store count to 85.

Since Heck's new prototype has been expanded this year from an average of 43,000 sq. ft. to one of 50,000 sq. ft., the Mr. Wiggs outlets will not demand dramatic changes in floor plans, Darnall said.

The proximity of the Mr. Wiggs units to existing Heck's stores put these markets into Heck's advertising scope, said Darnall. The Lexington stores, for instance, lie within 30 miles of Heck's units in Mount Sterling, Frankfort and Glasgow.

Heck's plans to run advertising to announce the acquisition of the new units in these markets, said Darnall.

The two chains also share a similar customer base. "We will be establishing ourselves in markets already known for their mass merchandise business," said Darnall. "The customers who once came to find certain goods at Mr. Wiggs will not find many differences when shopping in a Heck's."

Ray O. Darnall, president, Heck's

The new stores will be serviced by Heck's 500,000-sq.-ft. distribution facility in Nitro, W. Va. "We have the ability to keep these stores in stock year-round because of the strength

(Continued on page 132)

New Styles Move in on Blue Jeans

Spring 1981 may see fewer blue denim designer jeans on discounters' racks.

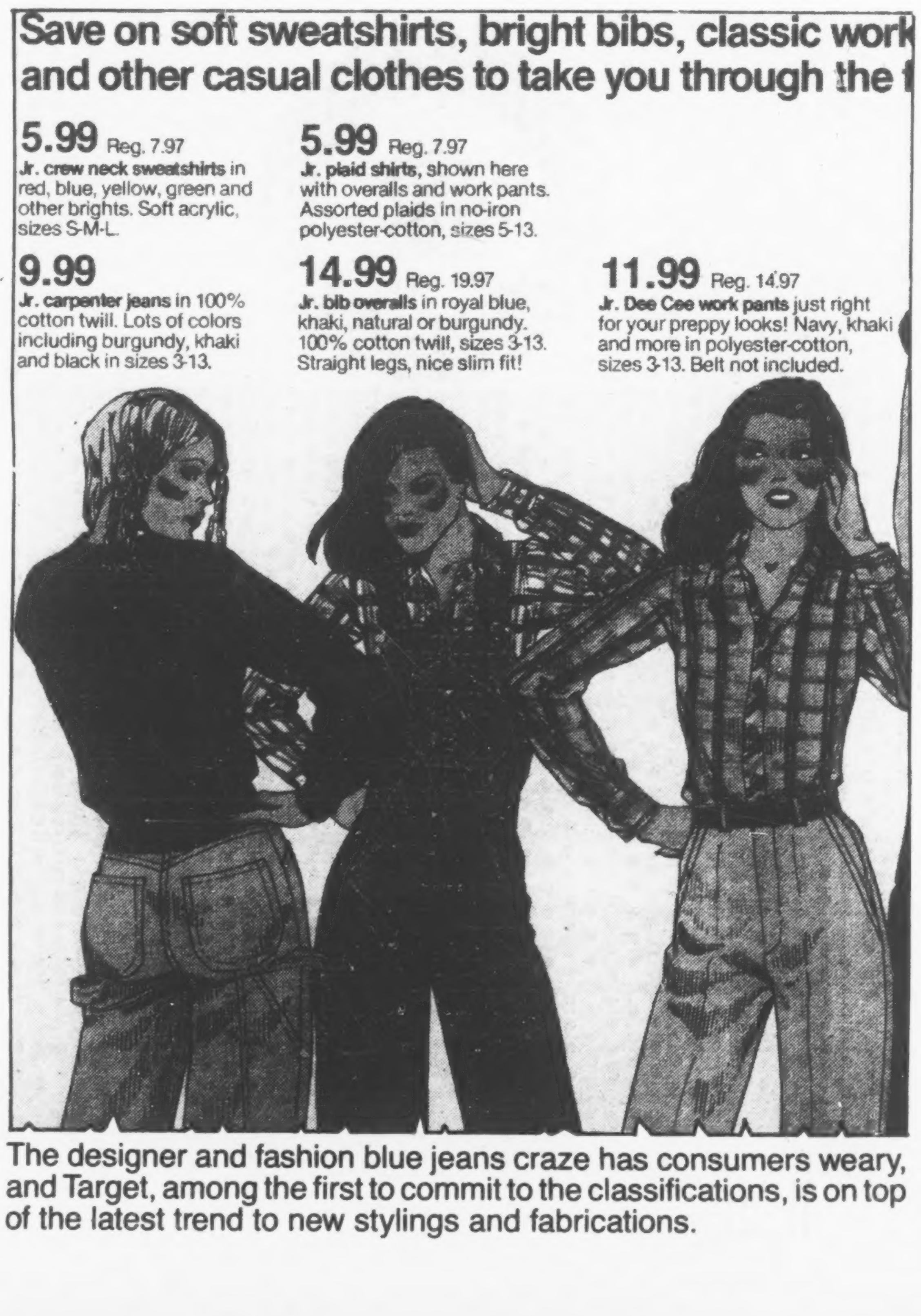
Discounters are bypassing a glut on the designer jeans circuit and making room for expansion into new color and fabrications in jeans styles.

Of course, some buyers are taking advantage of the now more easily available designer jeans, but all are cutting inventory on blue denim fashion jeans—echoing an upstairs trend where supply has exceeded demand—back-to-school (BTS) and holiday seasons.

Many have decided to hold further commitments until spring 1981, when buyers believe the trend will turn back around.

"Denims aren't getting the same turns as a year ago," Linn Ferguson, Gold Circle buyer for junior jeans, said. "We are making a greater shift away from blue denim than we anticipated and expect flat inventory for

(Continued on page 5)



Save on soft sweatshirts, bright bibs, classic work
and other casual clothes to take you through the

5.99 Reg. 7.97
Jr. crew neck sweatshirts in red, blue, yellow, green and other brights. Soft acrylic, sizes S-M-L.

5.99 Reg. 7.97
Jr. plaid shirts, shown here with overalls and work pants. Assorted plaids in no-iron polyester-cotton, sizes 5-13.

9.99
Jr. carpenter jeans in 100% cotton twill. Lots of colors including burgundy, khaki and black in sizes 3-13.

14.99 Reg. 19.97
Jr. bib overalls in royal blue, khaki, natural or burgundy. 100% cotton twill, sizes 3-13. Straight legs, nice slim fit!

11.99 Reg. 14.97
Jr. Dee Cee work pants just right for your preppy looks! Navy, khaki and more in polyester-cotton, sizes 3-13. Belt not included.

The designer and fashion blue jeans craze has consumers weary, and Target, among the first to commit to the classifications, is on top of the latest trend to new stylings and fabrications.

Rx Sections Mushroom From 35.3% To 40.8% of Nation's Discount Stores

The discount store industry appears on the verge of a prescription filling boom, as more chains than ever before discover the drawing power and profitability of pharmacies.

In the last year, the number of stores with pharmacies rose 5.5 percentage points to a total of 40.8% of the industry's units, according to DSN's 19th annual census.

K mart is one chain that has heavily moved into drug sales. Drug industry statistics list it among the country's largest drug store chains in terms of prescription and nonprescription drug sales.

Many discounters predicted that more and more chains will follow K mart's lead as the lure of one-stop shopping increases the profits they can make not only on prescriptions, but also on over-the-counter products such as cough syrup, laxatives and nonprescription drugs.

In addition, discounters said, there is a spillover effect that spurs sales increases in adjacent departments.

Most discounters questioned said they had not performed surveys to determine the overall effects of pharmacies on sales in nearby departments. A spokesman for Ohio-based Harts said, though, that H&BA products sell about 2.8% to 3.1% better in stores with pharmacies than in those without them.

Murphy's Mart leased pharmacy space in five of its Pittsburgh area stores in 1975. A year later the chain took over its lessee's operations and is now planning to open pharmacies in stores in more rural areas.

Arizona-based Smitty's has pharmacies in 15 of its 19 stores and plans to include them in each of three units scheduled to

(Continued on page 4)

Editorial

Discounters Are Leading the Field Despite a Muddy Economic Track

A turning point of major significance came for discounting in 1980.

The industry proved again its ability to withstand—and even prosper in—times of economic downturn, and discounting demonstrated its dynamic nature by the frequency with which chains initiated new strategies, new store prototypes and new merchandise presentations.

But this is old hat in discounting, just another year when of all major retail segments only discounting showed the vitality, flexibility and imagination necessary for continued growth.

The most significant development of 1980 was the acceptance by all of retailing that there is a new leader for the 1980's: a new front-runner to set the pace and determine the direction of the race. We're in a race, and we're in the lead.

In a footrace of sufficient length—a mile or more—a runner adjusts his pace to match that of the new leader, and plans to stay close enough to break the tape first with a last-minute burst of speed.

In retailing, however, there is no tape and no end to the race. A strategy of winning at the last minute with a burst of energy is doomed to failure. The retail segment that attains the lead can look forward to many years of leadership, assuming good execution.

That's where discounting has arrived—in front of the pack, setting the pace, determining the direction of the race. And the other runners are adjusting to our pace.

Sears, Roebuck and Montgomery Ward, for example, are no longer looking over their shoulders at discounting, nor are they pooh-poohing its merchandising and marketing strategies.

Instead, they are eating the dust of faster-growing, more innovative and more aggressive discount retailers who are leading the way in compound growth rates and market share gains.

Sears and Ward have taken steps to match the pace set by the new discount leaders. Their strategy is to keep up, and it's making them, step by step, more similar to our more successful form of retailing.

Sears lost its price war with K mart, and has been forced to retreat to a pricing policy that simply meets opening price points at discount stores. Sears is also contemplating the addition of major brands to its merchandise mix. Sears wants to stay close to the leader.

Ward has gone even further than Sears, with its rapid expansion of Jefferson Stores, and the adoption of many Jefferson marketing and merchandising techniques at a growing number of conventional Ward stores.

J. C. Penney, with its lackluster discount arm trailing the pack but secure in its soft line dominance among the big three, has put distance between itself and the dogfight at the head of the pack.

But in a few years will Penney's retreat be the right strategy?

Trade-up merchandising by discounters—including K mart's and Wal-Mart's experiments this year—will increase the distance between discounters and Penney, making the discounters' lead insurmountable.

Newer retail segments are also emulating discounting with self-service, lower operating costs, fewer frills, more efficient use of space, lower gross margins and discount pricing policies.

The hard line discount specialists in toys, sporting goods, automotive and other markets have been joined by off-price apparel chains that are letting general merchandise discounters set the pace and direction, while staying close enough behind to follow in the path of least resistance.

It's difficult to know whether the off-price apparel market is here to stay or whether it will be swallowed up by discounting's growing appeal to fashion- and value-conscious consumers. But while the opportunity lasts, the apparel specialty chains are simply following the leader.

The merchandising battles must be fought on one front at a time, while a holding action maintains gains already made on the other.

Discounting's hard line superiority must be maximized first, and solid defenses against anticipated competitive strategies (opening price point levels, brand name merchandise) put into place. Then the battle can be joined in earnest in the ladies', children's and domestics departments.

When that time comes—probably before the end of this decade—no other retail segment will be able to head the leader.

What reason is there to shop a conventional department store, when (as seems inevitable) identical apparel and domestics merchandise become available in discount department stores at lower prices?

What reason is there to shop Sears or Ward when discount stores offer broader selections and better values in hard lines, and soft line departments that match or exceed the selection, quality, and value found in those stores?

A new age of retailing has dawned and our industry is the acknowledged leader. It is a time that will bring new hazards, new problems and new concepts to the forefront of American retailing.

But it is also a time in which discounting will achieve its full potential, and it is a time of unprecedented opportunity for general merchandise discount chains of every description.

The lead has been seized and acknowledged. Now it remains to run the race well.

Making The Rounds

with Doug Stumon

Editor

Where It's at in DSN's 1980-81 Census

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Value Fair 22
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Due to space limitation, DSN was unable to run articles in this issue on all Top 100 (by volume) chains. Statistics for the chains omitted are included in the chart on p. 22.

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The editorial is on p.2; the Touche Ross/DSN Discounter Management Development Series is on p.7, and the Bob Curtis security column on p.128. Other regular departments and features have been omitted from this issue because of the special discount census. They will be resumed in the Oct. 6 issue.

To Our Subscribers

Due to rising publishing costs, we are increasing our subscription rates for Discount Store News, effective Oct. 1, 1980.

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Vol. 19, No. 19 Sept. 22, 1980

1980-81 DISCOUNT STORE CENSUS

PART 1:

INDUSTRY DIRECTIONS

K mart's Fauber

Woolco's Nelson

Gemco/Memco's Harris

Meijer's Holton

They Found Room at the Top

Changes in the executive suite gave the industry more than a half dozen new chief officers this year. Veteran K mart executive Bernard M. Fauber was named ceo and chairman of the nation's largest discount chain; Peter Harris stepped up to become president of Gemco/Memco, Lucky Stores' discount division; George W. Nelson was made head of Woolworth/Woolco's United States division; Earl Holton, vice president, moved into the president's office at Meijer's Thrifty Acres, and Bernard Litwak, president of King's Dept. Stores, was tapped for the president's job at FedMart. Sol Kittay, chairman of Cornwall Equities Ltd. and principal King's stockholder, succeeded Litwak. At Two Guys, the president's title was set aside in favor of chief operating officer and Seymour Karch was named to the post.

Discounters Are on Way to $60.5 Billion Year

In 1980 discount stores' volume (including food) is projected by DSN to pass the $60 billion mark—an industry record—surpassing last year's volume by 10%. General merchandise sales will rise 11% to $55 billion.

Contributing to that record volume will be 470 new stores, all of which are slated to be open by year's end. These openings represent a net gain of 32,779,000 sq. ft.—a 6.4% rise over last year's square footage.

While store gains are impressive, the industry is not wholly escaping the pressures of the weakened economy.

Sales per square foot are projected to rise only 3.3% to $110.79 (including food), a slowdown compared to last year's 5.1% gain to $107.15.

General merchandise sales will grow from $96.43 a square foot to $99.29.

Likewise, sales per store will rise from $7.6 million last year to $7.8 million in 1980.

Store size continues on the downward trend begun in the mid-1970's when discounters began to push for smaller, more productive stores. The move traded off sales floor space for higher gondolas, and a more fashion orientation in broader margin apparel.

This year the average size of newly built discount stores is 70,600 sq. ft. And, 68 of the year's 470 new stores are slated to be between 70,000 and 80,000 sq. ft.

State of the Discount Store Industry

	Projected for Calendar Year Ending Dec. 31, 1980	As of Calendar year Ended Dec. 31, 1979
Square footage	546,091,000	513,312,000
Net Gain in Square Footage	32,779,000 (6.4%)	22,890,000 (4.6%)
Stores	7,736 (6.5%)	7,266
Net Gain in No. of Stores	470	375
Annual Sales Incl. Food (a)	$60.5 Billion (10%)	$55 Billion
General Merchandise Sales	$55 Billion	$49.5 Billion
Average Sales/Sq. Ft. Annually (b)	$110. 79	$107.15
Average Sales/Sq. Ft. Annually, General Merchandise	$99.29	$96.43
Average Sales/Store/Year	$7,821,590	$7,569,502
Average Store Size	70,600 sq. ft.	70,646 sq. ft.

(Source: DSN Research)

(a) Estimated sales for calendar year including stores projected to open during 1980. Figure in parentheses indicates percentage gain.

(b) Includes food sales

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Trade-up Merchandising Is Applied to Hard Lines

Follows Chains' Successful Upscaling of Apparel

Trade-up merchandising continued to dominate the discount scene as the success of upgraded apparel presentations (and rising operating costs) prompted discounters to apply that technique in their hard lines departments as well.

This search for ways to get better mileage out of store space also spurred an increased use of cubing. Discounters raised gondola heights in order to fit the same amount of merchandise into newer scaled-down stores, or to accommodate additional goods in existing units.

K mart will experiment with a trade-up hard line presentation in eight Indianapolis stores, where a new race-track aisle layout will generate refixturing and a "modest trade-up of goods" in hard line departments, according to Bernard Fauber, chairman and ceo.

This hard line test comes in the wake of K mart's experiments with an upscaled apparel presentation in selected New Jersey stores, as well as in units in Fayetteville, Ark., and Atlanta.

T.G. & Y. is another chain planning a large-scale upgrading of its hard line approach. The chain's combined camera and consumer electronics department and cosmetics displays are being upscaled in new stores, and management hopes to add the new look to existing stores by mid-1981.

"It's like shining the toe of the shoe," said Andrew Collins, division vp, merchandising. "We plan to extend the upscaling over the entire store in the future, but for now we're working on the departments that customers see when they first enter the store."

T.G. & Y.'s camera and electronics merchandise will be highlighted with a carpeted background and segmented with smoked glass dividers. Installation costs of the display in existing stores will total $500,000, according to Collins.

In cosmetics, remerchandising will introduce a black-and-white, mirrored display module in the store. Coinciding with the refixturing, the product mix will be expanded 60% to include more of the higher-priced prestige cosmetics.

Caldor took its cue from a successful move to upgrade its apparel section, and extended that concept to its housewares department this year. Ceramic brick floor tile and natural wood display units have been added to give the stores a "Bloomingdale's" look.

Already upscale Jefferson Stores got a facelift when the chain made its entry in the Philadelphia market. A loop layout, wide-scale use of focus walls and the inclusion of suspended fixtures were major features of the new layout, that focused on the chains' hard line departments.

S. E. Nichols officials intend

(Continued on page 35)

QUALITY SOUND

T.G. & Y. is refashioning the look of its combined consumer electronics and photo section from a stark mass display to one that spotlights items on a carpeted backdrop. (DSN photo)

Acquisition Fever: Over 150 Stores Changing Hands

Jefferson Ward

Acquisition fever continued to rage through the discount industry with the ownership of more than 150 stores—in three major deals—expected to change hands before the year is out.

A fourth "deal," and one that will take a little longer (through 1983), will see 114 Montgomery Ward stores converted to the discount Jefferson/Ward prototype. This year, the chain contented itself with opening eight of 23 Philadelphia-market stores acquired last year.

Two other takeovers currently being negotiated are Target's bid for 41-unit Ayr-Way and King's Department Stores' plan to take over the 60-plus-unit Barkers chain, and its sister operation, Franklin Stores. Both chains are owned by Cornwall Equities, which has a controlling interest in King's.

Another major takeover, completed earlier this year, marked the transfer of ownership of 61 Pay Less units from Pay Less (Calif.), Oakland, to Pay Less Northwest, Beaverton, Ore.

For Target, the Ayr-Way takeover would be the next major step in an ambitious expansion plan which parent company Dayton Hudson plans to bankroll with nearly $1 billion over the next five years.

The takeover, which is expected to be an easy one, given the merchandising similarities between the two operations, will strengthen Target's position across Middle America and add Indianapolis (Ayr-Way's hometown) to the towns the chain dominates.

For King's, the Barkers takeover will give the Massachusetts-based chain entry into the Sunbelt with 11 stores in Louisiana and Texas. (Sixteen Barkers stores in Puerto Rico and the Virgin Islands, while part of the takeover deal, will retain the Barkers name.)

While some industry observers were skeptical about the value of the takeover—particularly to the King's shareholders—because of Barkers' mediocre performance over the past several years—King's officials said the Sunbelt opportunities and the specialty apparel side of the Franklin Stores business made the deal particularly sweet.

Projected Barkers sales for the current fiscal year would add approximately $300 million to King's annual sales.

The Pay Less (Calif.) acquisition represents a significant expansion for Oregon-based Pay Less Northwest, whose 91 stores generated $12.4 million in profits in its latest fiscal year.

The acquisition gives the chain 151 stores that stretch from Hawaii and central California into Washington state. (Pay Less is negotiating with a Japanese firm for the acquisition of its Hawaii stores.)

(Continued on page 32)

The Key Is 'Doing Your Own Thing'

Smaller Regionals Buck Biggies

Smaller regional and local discounters—those with under $100 million in volume and with two dozen or fewer stores—are, on the whole, continuing to record sales gains and add units despite the economy and stepped-up competition from such major chains as K mart, Target and T.G. & Y.

The key to success, top executives with a number of smaller discounters said, is doing your own thing, not just imitating the big discounters.

The 42 discounters that meet both qualifications include chains that project sales gains ranging to as much as 33% (Grandpa Pidgeon's) and are increasing the number of their stores up to 35% (Maloney's).

(A 43rd discounter that has sales of under $100 million is Bargain Town, which will have 41 stores in Alabama at the end of the year that average 20,000 sq. ft. in size. The small size accounts for the chain only generating $32 million in volume or about $750,000 per store.)

Doing your own thing, a Singleton executive said, starts with being close to your stores so you can closely monitor what's happening.

"We are close to our [10] stores," the executive said, "so that top management can be in each unit once a week for better control. We can get on a problem at once and make a decision quickly, while a manager with a national chain has to go up the

(Continued on page 32)

The Census Counted on These Chains

Stores included in the statistical section of the census all meet DSN's definition of a discount department store; that is, they each have at least 10,000 sq. ft., both hard and soft goods departments, and an expense structure below that of a conventional department store.

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The Top 100: Sales and Store-Count Projections

		Estimated Volume (in millions)				No. Discount Department Stores				Total Discount Store Square Footage (add 000)			
Rank	Chain (HQ state in parenthesis)	Proj. General Merchandise $ Current Fiscal Yr. (Including Leased Depts.)[a]	General Merchandise $ Previous Fiscal Yr. (Including Leased Depts.)[a]	Proj. General Merchandise $ Current Fiscal Yr. (Company-Operated Depts. Only)[a]	Net Earnings in millions Previous Fiscal Yr.	Jan. 1, 1980	June 1, 1980	Dec. 31, 1980	To Be Added, 1981	Jan. 1, 1980	June 1, 1980	Dec. 31, 1980	To Be Added, 1981
1	**K mart (Mich.)**	14,859	12,822	14,200	354.5	1,688	1,728	1,888	200	99,100	103,680	113,280	12,000
2	**Woolco (N.Y.)**	3,205	2,855	3,010	122.0	416	426	454	30	34,020	34,840	36,500	2,550
3	T.G. & Y. (Okla.)	1,877	1,497	1,497	—	935[b]	911	925	51	22,765	23,103	23,882	2,700
4	**Wal-Mart (Ark.)**	1,600	1,200	1,600	41.2	276	291	326	58	12,600	13,600	15,100	2,600
5	**Target (Minn.)**	1,400[c]	1,100	1,100	—	80	86	97	17	8,197	8,797	9,800	1,600
6	Zayre (Mass.)	1,375	1,327	1,334	17.1	254	245	247	10	18,771	17,712	17,890	750
7	Gemco/Memco (Calif.)	1,100	1,020	979	—	76	78	83	8	8,429	8,649	9,200	880
8	Fred Meyer (Ore.)	958	840	958	48.2	63	64	67	3	5,400	5,520	5,900	480
9	Gibson (Tex.)	956	1,180	956	—	366	350	355	12	13,273	13,000	13,270	480
10	Pay Less (Ore.)	750[d]	680	750	14.5	149	154	150	5	4,321	4,466	4,350	145
11	**Hills (Mass.)**	680	580	680	—	80	81	84	7	6,100	6,180	6,340	640
12	**Caldor (Conn.)**	660	563	660	19.7	56	59	62	7	4,890	5,145	5,400	595
13	**FedMart (Calif.)**	638	603	625	(11.1)	68	68	68	0	5,602	5,602	5,602	0
14	**King's (Mass.)**	595[e]	576	593	15.4	191	191	191	0	11,541	11,601	11,601	0
15	**Bradlees (Mass.)**	594	540	558	—	83	86	89	3	5,773	5,998	6,223	180
16	Venture (Mo.)	533	515	533	—	45	45	45	0	5,345	5,345	5,345	0
17	Alexander's (N.Y.)	550	505	534	—	15	15	16	0	3,755	3,755	3,855	0
18	Two Guys (N.J.)	540	630	510	—	60	49	49	0	6,335	5,255	5,255	0
19	Rose's (N.C.)	528	498	528	8.8	227	232	238	11	8,169	8,344	8,657	838
20	The Treasury (Calif.)	454	418	418	—	34	34	34	0	3,200	3,200	3,200	0
21	**Murphy's Mart (Pa.)**	428	393	428	—	99	102	106	4	4,575	4,710	4,890	507
22	**Meijer's (Mich.)**	415	400	837	—	25	26	29	2	4,057	4,157	4,457	200
23	**Gold Circle (Ohio)**	410	400	410	—	42	42	42	5	4,200	4,200	4,200	500
24	**Cook United (Ohio)**	359	354	348	5.9	80	82	84	4	5,624	5,797	5,922	280
25	**Korvettes (N.Y.)**	350	600	330	—	44	30	24	0	8,120	6,553	5,870	0
26	Zodys (Calif.)	340	305	255	—	37	37	41	5	2,940	2,940	3,220	360
27	Rink's (Ohio)	336	308	286	—	42	45	47	3	2,941	3,194	3,290	180
28	Pamida (Neb.)	315	333	315	—	192	194	190	0	3,712	3,710	3,700	0
29	Ames (Conn.)	351	322	313	—	100	103	104	0	4,800	4,890	4,920	0
30	Fedco (Calif.)	323	291	294	—	7	7	7	0	900	900	900	0
31	**Ayr-Way (Ind.)[f]**	315	289	315	2.7	41	41	41	0	3,438	3,438	3,438	0
32	**Big K (Tenn.)**	313	298	313	1.7	106	108	111	0	4,770	4,860	4,995	0
33	**Barkers (N.Y.)[g]**	310[c]	295	298	0.3	59	60	60	0	3,800	3,820	3,820	0
34	**ShopKo (Wis.)**	302	239	295	—	27	27	30	4	2,000	2,000	2,330	440
35	**Jamesway (N.J.)**	292	250	274	6.4	59	62	63	4	3,407	3,536	3,756	200
36	Times Square (N.Y.)	290	266	203	—	14	14	14	0	2,300	2,300	2,300	0
37	Howard Bros. (La.)	280	243	280	3.9	92	99	100	20	3,220	3,500	3,540	800
38	Jefferson/Ward (Fla.)	255	209	255	—	21	29	42	120[h]	2,625	3,625	5,250	10,000
39	S. E. Nichols (N.Y.)	240	217	230	3.5	42	43	43	2	3,900	4,000	4,000	200
40	Smitty's (Ariz.)	240	114	240	—	10	11	12	3	1,100	1,300	1,400	300
41	**Heck's (W. Va.)**	247	215	231	—	75	78	86	5	3,419	3,554	3,929	225
42	**Grand Central (Utah)**	228	204	228	3.3	32	32	33	2	2,083	2,083	2,150	160
43	**Richway (Ga.)**	221	203	208	—	18	19	21	0	1,757	1,847	2,007	0
44	**Fisher's Big Wheel (Pa.)**	196	170	175	—	57	58	65	11	2,400	2,450	2,750	475
45	**J. W. Mays (N.Y.)**	192	176	184	—	8	8	8	0	1,982	1,982	1,982	0
46	Twin Fair (N.Y.)	180	164	175	—	29	30	31	0	2,690	2,709	2,856	0
47	ALCO (Kan.)	166	159	166	3.8	65	72	73	13	1,970	2,160	2,188	364
48	Ann & Hope (R.I.)	153	140	153	—	4	4	4	0	800	800	800	0
49	Bi-Mart (Ore.)	150	130	150	—	23	24	24	3	690	720	720	90
50	Gaylords (N.J.)	145	137	130	0.3	36	36	36	2	2,000	2,000	2,000	100
51	**Hart's (Ohio)**	135	123	135	—	18	18	19	2	1,000	1,000	1,000	100
52	**Magic Mart (Ark.)**	128	109	106	—	46	47	47	50	1,300	1,500	1,500	53
53	**Clover (Pa.)**	125	114	109	—	13	13	14	1	1,216	1,216	1,304	88
54	**PrangeWay (Wis.)**	113	93	110	—	18	19	20	0	898	988	1,051	0
55	**Gee Bee (Pa.)**	111	99	90	2.6	15	16	18	1	1,070	1,160	1,310	70
56	Value City (Ohio)	105	96	105	—	17	17	17	1	1,700	1,700	1,700	100
57	Sky City (N.C.)	104	95	67	—	59	64	64	5	2,360	2,560	2,560	700
58	Danners (Ind.)	100	85	94	—	26	29	29	2	1,386	1,416	1,416	67
59	Swallen's (Ohio)	98	98	98	—	9	9	9	0	1,040	1,040	1,040	0
60	Rich's (Mass.)	87	80	82	—	12	12	12	1	740	740	740	60
61	**Lloyd's (N.Y.)**	85	83	70	0.7	3	3	3	0	283	283	283	0
62	**Modell's (N.Y.)**	85	83	11	—	6	6	6	0	750	750	750	0
63	**Mr. Wiggs (Ohio)**	78	75	80	—	20	20	15	2	1,130	1,130	875	100
64	**Tradeway (Ind.)**	*(i)	75	*	—	14	8	7	0	1,060	606	530	0
65	**Unishops (N.J.)**	75	71	65	—	10	10	10	0	1,145	1,145	1,145	0
66	David's (Kan.)	66	58	62	—	7	7	7	1	430	430	462	62
67	Community (Ill.)	60	55	55	(0.2)	11	10	10	1	906	826	826	140
68	Van Leunen's (Ohio)	55	50	45	—	5	5	5	1	380	380	380	75
69	Belscot (N.J.)	51	57	51	(0.6)	6	4	4	0	476	351	351	0
70	The Fair (Mass.)	50	45	44	—	5	5	6	1	470	470	535	65
71	**Treasure City (N.Y.)**	47	46	27	—	13	13	13	0	780	780	780	0
72	**Copps (Wis.)**	46	42	43	—	12	12	12	1	720	720	720	60
73	**Sage (Tex.)**	43	43	23	—	4	4	4	0	400	400	400	0
74	**Valley Fair (N.J.)**	42	35	0	—	2	2	2	0	310	310	310	0
75	**Apollo (N.Y.)**	41	40	20	—	10	10	10	1	556	556	556	40
76	Giant Way (Mich.)	41	38	39	—	14	14	14	0	560	560	560	0
77	Grandpa Pidgeon (Mo.)	40	30	40	—	5	5	5	0	315	315	315	0
78	The Andersons (Ohio)	39	36	39	1.3[j]	3	3	3	0	175	175	175	0
79	Laneco (Pa.)	38	34	27	1.7	13	13	13	1	1,200	1,200	1,200	100
80	Maloney's (Ky.)	38	29	38	—	14	16	19	5	320	350	400	75
81	Click (Ohio)	38	35	31	1.5	9	9	9	0	1,075	1,075	1,075	0
82	**Lee Shops (Mass.)**	36	33	30	—	9	9	9	0	480	480	480	0
83	**Matco (Mo.)**	36	31	36	—	15	15	15	0	360	360	360	0
84	**Bargaintown (Ala.)**	32	30	32	—	38	40	41	2	760	800	820	40
85	J. A. Conley's (Ohio)	30	29	30	—	13	13	12	2	370	370	320	40
86	Shopper's World (Tex.)	28	23	25	—	17	20	21	2	400	488	500	50
87	May's Family Cen. (Ind.)	28	36	23	—	16	12	12	0	1,280	960	960	0
88	Goldman's (Ohio)	27	28	27	—	12	10	10	0	775	665	665	0
89	Mars (Mass.)	25	21	22	0.3	7	7	7	0	415	415	415	0
90	Magic Mart (Va.)	23	20	23	—	8	9	9	1	280	310	310	40
91	Singleton's (Va.)	21	16	21	0.5	10	10	10	2	192	192	192	70
92	**Value Fair (Calif.)**	21	19	21	—	3	3	3	0	140	140	140	0
93	**Vegas Village (Nev.)**	20	18	18	—	2	2	2	0	334	334	334	0
94	**Globe (Mass.)**	17	16	9	—	7	7	7	0	220	220	220	0
95	**Union Hall (Ill.)**	17	15	16	—	2	2	2	1	150	150	150	70
96	VAL Corp. (Ind.)	17	17	17	0.9	17	17	17	2	303	303	303	24
97	Mailmans (Pa.)	16	15	7	—	3	3	3	0	300	300	300	0
98	Masters (N.Y.)	15	20	8	—	3	2	2	0	290	185	185	0
99	RDR Discount (N.Y.)	11	10	9	0.1	11	11	11	0	225	225	225	0
100	A-Mart (Va.)	11	10	11	0.4	6	6	6	0	126	126	126	0

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[a] Some figures are DSN estimates, food sales not included.
[b] T.G. & Y. is converting many of its variety stores to Family Centers and Super Stores.
[c] Does not include sales projected for Ayr-Way for the current fiscal year of $315 million.
[d] Combined sales of Pay Less Northwest and Pay Less (Calif.)
[e] Does not include sales projected for Barkers for the current fiscal year of $310 million.
[f] Ayr-Way was being acquired by Target Stores at presstime.
[g] Barkers was being acquired by King's Dept. Stores at presstime.
[h] 120 Montgomery Ward stores will be converted to Jefferson/Wards over the next three years.
[i] Tradeway was in the middle of Chapter XI proceedings, at presstime, negotiating with creditors to avoid liquidation.
[j] Operating profit.

Southern States to Get 40% of New Stores

STATES	Proj. No. of Stores Dec. '80	No. of Stores Dec. '79	Proj. Square Footage Dec. '80 (Add 000)	Square Footage Dec. '79 (Add 000)	Density (Square Feet Per Person)	Projected Net Gain 1980		*Projected 1980 Discount Store Sales		**Full-line General Merchandise Store Sales (Add 000)	Per Cent of Full-line Gen. Mdse. Sales By Discount Stores (Excl. Supers)
						No. Stores	Footage (Add 000)	Including Supermarkets (Add 000)	General Merchandise Only (Add 000)		
Alabama	168	143	9,238	7,473	2.42	25	1,765	$ 1,023,293	$ 930,267	$ 1,757,515	52.9
Alaska	3	2	240	170	0.57	1	70	26,589	24,168	246,687	9.8
Arizona	84	77	6,334	5,840	2.54	7	494	701,617	637,834	1,220,003	52.3
Arkansas	181	153	8,035	6,058	3.62	28	1,977	890,037	809,125	942,111	85.9
California	496	476	38,537	37,125	1.68	20	1,412	4,268,743	3,880,676	12,461,778	31.1
Colorado	87	85	5,905	5,765	2.12	2	140	654,097	594,634	1,371,595	43.4
Connecticut	156	150	11,720	11,300	3.75	6	420	1,298,224	1,180,204	1,314,286	89.8
Delaware	25	23	1,891	1,751	3.22	2	140	209,466	190,424	356,573	53.4
DC	4	7	298	522	0.17	(−3)	(−224)	30,029	32,989	182,652	18.1
Florida	245	225	20,850	19,450	2.33	20	1,400	2,309,555	2,099,595	5,447,857	38.5
Georgia	153	138	13,579	12,529	2.63	15	1,050	1,504,146	1,367,405	2,592,543	52.7
Hawaii	21	20	1,085	1,015	1.18	1	70	120,186	109,260	762,528	14.3
Idaho	26	23	1,470	1,260	1.61	3	210	162,832	148,029	344,997	42.9
Illinois	344	335	24,929	24,299	2.21	9	630	2,761,385	2,510,350	5,981,594	41.9
Indiana	267	252	17,885	17,045	3.32	12	840	1,981,121	1,801,020	2,672,507	67.4
Iowa	124	117	7,520	7,030	2.57	7	490	832,990	757,264	1,372,844	55.2
Kansas	126	113	7,238	6,320	3.03	13	918	801,753	728,866	1,217,698	59.8
Kentucky	162	152	9,788	9,082	2.75	10	706	1,084,217	985,652	1,424,705	69.2
Louisiana	163	148	8,770	7,711	2.18	15	1,059	971,452	883,139	2,033,365	43.4
Maine	50	48	2,870	2,730	2.59	2	140	317,910	289,009	438,284	65.9
Maryland	110	106	8,450	8,170	2.02	4	280	936,007	850,915	2,406,284	28.3
Massachusetts	258	248	17,078	16,372	2.95	10	706	1,891,730	1,719,755	2,764,994	62.2
Michigan	241	230	20,292	19,515	2.20	11	777	2,247,745	2,043,404	5,654,667	36.1
Minnesota	130	121	8,252	7,622	2.03	9	630	914,074	830,976	2,296,388	36.2
Mississippi	113	98	5,330	4,321	2.19	15	1,009	590,404	536,731	974,348	55.1
Missouri	194	184	18,906	18,200	3.86	10	706	1,890,600	1,701,540	2,699,811	63.0
Montana	20	18	1,178	1,038	1.47	2	140	130,487	118,625	303,553	39.1
Nebraska	87	83	4,580	4,300	2.88	4	280	507,327	458,010	772,553	59.2
Nevada	33	32	2,450	2,380	3.46	1	70	271,387	246,715	460,405	53.6
New Hampshire	70	67	4,210	4,000	4.69	3	210	310,066	302,595	373,574	81.0
New Jersey	206	202	19,584	19,302	2.67	4	282	2,169,319	1,972,108	3,525,963	55.9
New Mexico	71	59	3,957	3,110	3.17	12	847	438,316	398,469	521,088	76.5
New York	442	431	36,973	36,196	2.08	11	777	4,095,499	3,725,769	7,904,489	22.2
North Carolina	179	156	12,033	10,400	2.12	23	1,633	1,332,895	1,211,723	2,343,359	51.7
North Dakota	31	30	1,457	1,386	2.18	1	71	161,391	146,719	255,160	57.5
Ohio	551	535	40,120	38,990	3.71	16	1,130	4,444,092	4,040,084	6,113,939	66.1
Oklahoma	137	125	7,597	6,750	2.56	12	847	841,519	765,017	1,298,691	58.9
Oregon	87	83	5,583	5,301	2.20	4	282	618,428	562,208	1,675,243	33.6
Pennsylvania	428	413	30,165	29,106	2.56	15	1,059	3,341,377	3,037,615	5,829,837	52.1
Rhode Island	38	35	3,222	3,010	3.45	3	212	289,980	264,880	345,412	76.7
South Carolina	106	88	6,681	5,410	2.25	18	1,271	740,054	672,766	1,205,541	55.8
South Dakota	31	30	1,179	1,108	1.68	1	71	130,597	118,725	233,727	50.8
Tennessee	172	155	9,912	8,712	2.24	17	1,200	1,097,952	998,138	2,095,005	47.6
Texas	507	472	34,971	32,500	2.60	35	2,471	2,873,737	3,521,579	7,637,529	46.1
Utah	37	34	2,451	2,240	1.80	3	212	271,497	246,815	701,244	35.2
Vermont	30	27	1,704	1,492	3.43	3	212	138,582	134,063	150,633	89.0
Virginia	186	174	13,747	12,900	2.61	12	847	1,522,755	1,384,322	2,643,160	52.4
Washington	80	77	6,001	5,789	1.53	3	212	644,730	604,300	1,879,463	32.2
West Virginia	112	108	6,522	6,240	3.46	4	282	722,441	656,765	892,561	73.5
Wisconsin	138	133	10,692	10,339	2.26	5	353	1,184,352	1,076,684	2,304,395	46.7
Wyoming	26	25	1,207	1,136	2.63	1	71	133,699	121,545	159,919	76.0

** DSN estimate based on projected store footage for calendar year.*

*** National total, which is a DSN estimate of discount, department and variety-general merchandise and mail order stores, is based on U.S. Census of Business. State totals are allocated on the basis of the distribution of state volume estimates published in the 1979 Sales Management Survey of Buying Power.*

The Sunbelt beckoned and top discounting chains continued to respond.

Nearly 40% of the new discount stores slated to open this year will have their foundations in Southern soil.

Texas heads the list of the Southern tier states most often targeted for chain expansion, with 35 new stores scheduled to open there by year's end. Other states experiencing strong discount store growth are Arkansas, 28 units; Alabama, 25; North Carolina, 23; Florida, 20; South Carolina, 18, and Georgia and Louisiana 15 each.

More modest gains were made in the Northwest and Midwest; chains headquartered there continued to fill in spaces in market strongholds. Ohio led the Snowbelt States in unit growth with 16 new stores scheduled to be built within its boundaries by the end of the year.

The one decrease posted was in the District of Columbia.

A net gain of 470 new stores comprising 29,975,000 sq. ft. is expected this year, a 25% increase over the 375 units added to the industry count last year.

In space, the industry gained 32,779,000 sq. ft., a 31% increase over footage gains made during the previous year. The average space of additional units was 69,742 sq. ft. This is consistent with the average store size reported in past census issues, and shows that discounters are sticking with their budgetary resolve to build smaller stores.

Openings Drop 35% in Top 50 Metro Markets

RANK	METRO MARKETS	** Proj. No. of Stores Dec. '80	No. of Stores Dec. '79	** Proj. Sq. Footage (add 000)	*** Proj. $ Discount Store Sales (add 000)	* Population (add 000)	Density (Sq. Ft. Per person)	* No. of Households (add 000)	* Effective Buying Income Per Household
1	New York	95	96	6,711	$ 743,511	9,266	0.72	3,629	$20,697
2	Los Angeles-Long Beach, Calif.	126	119	8,805	975,505	7,161	1.23	2,817	21,805
3	Chicago	182	180	12,854	1,424,094	6,998	1.84	2,443	25,150
4	Philadelphia	112	110	7,910	876,348	4,772	1.66	1,643	22,876
5	Detroit	75	77	5,300	587,187	4,372	1.21	1,485	25,686
6	Boston-Low.-Brockton-Lawr.-Haverhill	106	101	7,505	831,478	3,902	1.92	1,366	22,150
7	San Francisco-Oakland	55	52	3,883	430,197	3,223	1.20	1,311	23,557
8	District of Columbia-Va.-Md.	46	43	3,247	359,735	3,055	1.06	1,086	27,190
9	Dallas-Fort Worth	81	72	5,716	633,275	2,798	2.04	989	24,298
10	Houston	69	65	4,874	539,990	2,779	1.75	976	25,578
11	Nassau-Suffolk, N.Y.	56	55	3,986	441,608	2,700	1.48	832	28,055
12	St. Louis	49	48	3,460	383,333	2,390	1.45	811	22,193
13	Pittsburgh	71	68	5,013	555,390	2,250	2.23	807	20,716
14	Baltimore	38	36	2,683	297,249	2,158	1.24	748	20,125
15	Minneapolis-St. Paul	38	35	2,683	297,249	2,075	1.29	721	23,619
16	Newark, N.J.	26	27	1,837	203,521	1,939	0.95	661	26,842
17	Cleveland	59	56	4,165	461,440	1,934	2.15	685	23,474
18	Anaheim-Santa Ana-Gdn. Grove, Calif.	41	39	2,895	320,737	1,913	1.51	716	24,441
19	Atlanta	42	42	2,966	328,603	1,907	1.55	659	22,418
20	San Diego	50	49	3,531	391,199	1,841	1.92	704	20,065
21	Denver-Boulder	39	36	2,753	305,005	1,584	1.74	572	22,767
22	Seattle-Everett	28	27	1,978	219,143	1,527	1.29	585	22,385
23	Miami	40	39	2,826	313,093	1,495	1.89	568	21,469
24	Tampa-St. Petersburg, Fla.	35	33	2,741	303,675	1,475	1.86	621	17,107
25	Riverside-San Bern.-Ontario, Calif.	29	28	2,049	227,008	1,455	1.41	547	18,603
26	Milwaukee	33	32	2,331	258,251	1,413	1.65	493	22,693
27	Phoenix	56	49	3,961	438,839	1,390	2.85	490	21,924
28	Cincinnati	52	50	3,682	407,928	1,386	2.66	485	21,769
29	Kansas City, Mo.	40	39	2,825	312,981	1,334	2.12	497	23,287
30	Buffalo, N.Y.	40	39	2,855	316,305	1,279	2.23	465	19,777
31	San Jose, Calif.	33	32	2,381	263,791	1,263	1.88	454	27,025
32	Portland, Ore.	42	41	2,966	328,603	1,188	2.50	446	21,375
33	Indianapolis	51	48	3,600	398,844	1,168	3.08	404	22,568
34	New Orleans	26	23	1,835	203,299	1,164	1.58	403	21,748
35	Columbus, Ohio	49	47	3,460	383,333	1,110	3.12	392	21,827
36	Hartford-New Britain-Bristol	50	48	3,530	391,088	1,053	3.35	367	22,795
37	San Antonio, Tex.	27	25	1,906	211,165	1,048	1.82	332	20,825
38	Sacramento, Calif.	36	35	2,543	281,738	981	2.59	361	21,159
39	Rochester, N.Y.	20	20	1,413	156,546	967	1.46	348	22,202
40	Fort Lauderdale-Hollywood, Fla.	26	24	1,836	203,410	928	1.98	377	20,920
41	Memphis	29	24	2,056	227,784	905	2.27	300	20,024
42	Louisville, Ky.	23	21	1,624	179,923	893	1.82	310	22,829
43	Salt Lake City-Ogden, Utah	30	29	2,129	253,872	876	2.43	269	21,373
44	Providence-Warwick-Pawtucket, R.I.	26	25	1,836	203,410	849	2.16	298	20,243
45	Dayton, Ohio	48	46	3,399	376,575	838	4.06	292	22,138
46	Birmingham, Ala.	38	35	2,683	297,249	829	3.24	295	19,415
47	Norfolk-Virginia Beach-Portsmouth, Va.	26	23	1,825	202,192	822	2.22	257	20,131
48	Bridgept.-Stam.-Norwalk-Danb., Conn.	25	21	1,660	183,911	817	2.03	286	30,060
49	Oklahoma City, Okla.	25	23	1,785	197,760	809	2.21	302	20,804
50	Nashville	26	26	1,837	203,521	803	2.29	284	20,738

**From Sales Management's 1979 "Survey of Buying Power."*
***DSN estimate.*

****Sales are based on total footage, including that of connecting supermarkets, expected to be in operation at end of calendar year, using industrywide average dollars per square foot.*

Metro market store openings declined 35% in 1980 with only 110 new units scheduled to open in the nation's top 50 market areas. Last year, nearly half of the industry's new store growth—i68 units—were opened in the most densely populated parts of the country.

This growth pattern further underscores discounter commitments to small rural and exurban communities—many with populations of under 10,000.

Two new metro markets made their way onto the top 50 list this year.

Oklahoma City and Nashville bumped the three-city Albany-Schenectady-Troy, N.Y., market and Toledo, Ohio, markets to win 49th and 50th place on the list, respectively. Discount store count increases in these markets show that as population increases discounters respond with new store openings.

Other shifts on the list include jumps in the listing by Houston to 10th place, over Nassau-Suffolk Counties in New York; and similar place reversals between Riverside-San Bernardino-Ontario, Calif., and Milwaukee. Also Phoenix and Cincinnati; Rochester, N.Y., and Sacramento, Calif., and Portland, Ore., and Indianapolis, all switched rankings.

The largest net store increase, for the second year in a row, was in the Dallas-Fort Worth area where T.G. & Y., Target, Woolco and K mart, among others continue to plot their growth.

Phoenix ranked second in net unit gains with nine new stores slated to open there this year. Los Angeles placed third with seven new discount units coming on stream in 1980.

Store gains in Philadelphia, however, slowed considerably from last year's 10 openings by Woolco, Clover and K mart to two this year.

Jefferson Invasion Tops Philadelphia-Area Changes

PHILADELPHIA—Though store counts have been growing slowly—about 4% a year in recent years—discounting is exploding in Greater Philadelphia, country's fourth largest metro market.

Composition of the chains there is changing more drastically than store numbers. Basic discounters Two Guys and Korvettes pulled up stakes, Two Guys by dumping a dozen stores and Korvettes by closing four out of five units. K mart and Woolco have pegged the area for future growth. Homegrown trade-up discounter Clover is slowly broadening its base.

The biggest change in the area, however, comes from Jefferson. The Florida-based discount division of Montgomery Ward gobbled up the dozen Two Guys when those stores were put up for sale. This purchase followed last year's acquisition of eight former J. M. Fields sites in the area.

Five of the Fields sites were reopened in July as upscale Jefferson/Ward stores, while seven of the Two Guys sites are slated to open this fall. The remaining five Two Guys sites are scheduled to open as Jefferson/Wards next year.

The trade-up discounters Clover and Jefferson/Ward. and more basic discounters K mart and Woolco are taking advantage of untapped potential in the 4.8-million population market.

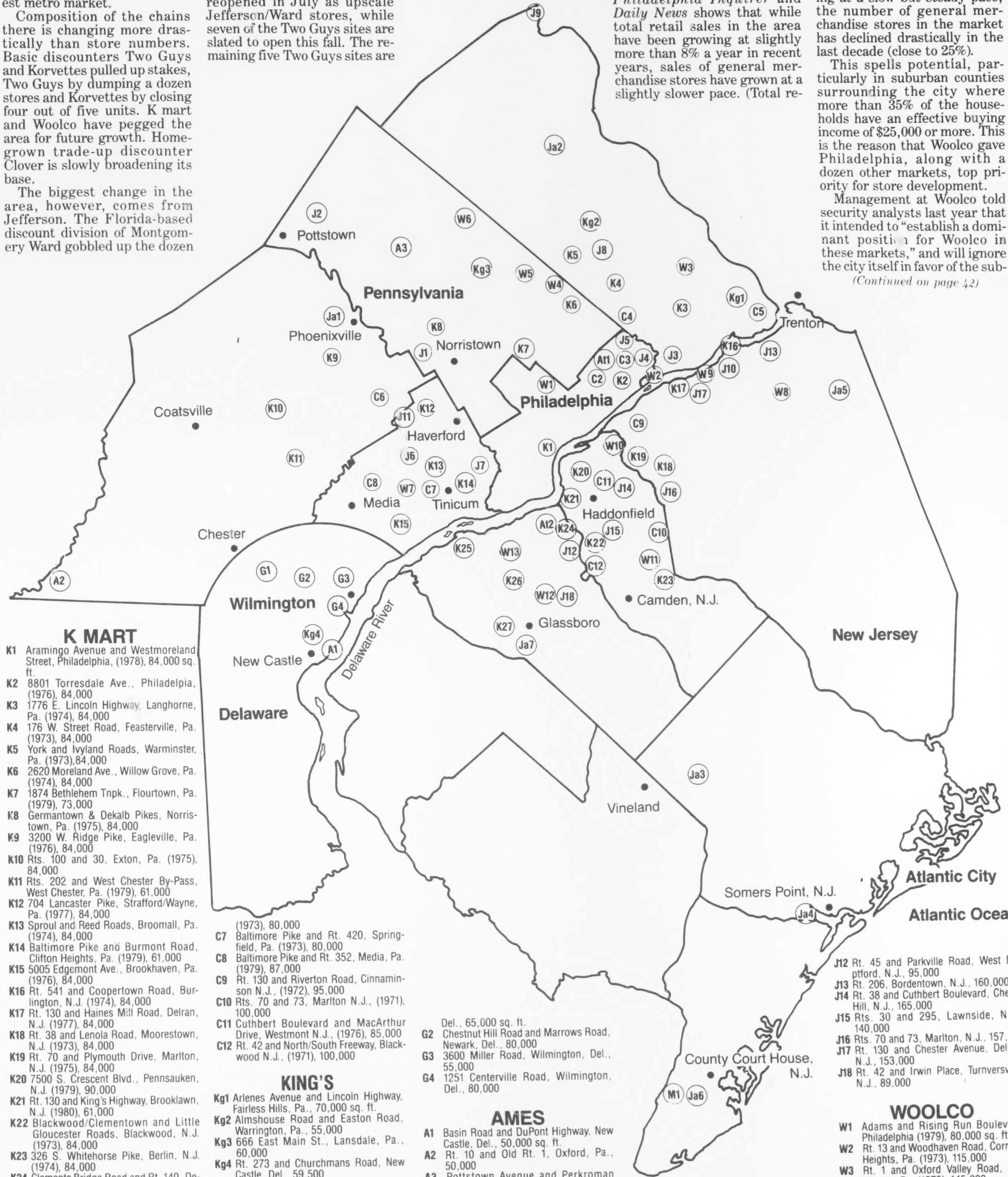
Market research done for the *Philadelphia Inquirer* and *Daily News* shows that while total retail sales in the area have been growing at slightly more than 8% a year in recent years, sales of general merchandise stores have grown at a slightly slower pace. (Total retail sales in the market exceed $17 billion, with general merchandise stores accounting for more than 13%, or $2.3 billion.)

Furthermore, while discount store numbers have been growing at a slow but steady pace, the number of general merchandise stores in the market has declined drastically in the last decade (close to 25%).

This spells potential, particularly in suburban counties surrounding the city where more than 35% of the households have an effective buying income of $25,000 or more. This is the reason that Woolco gave Philadelphia, along with a dozen other markets, top priority for store development.

Management at Woolco told security analysts last year that it intended to "establish a dominant position for Woolco in these markets," and will ignore the city itself in favor of the sub-

(Continued on page 42)



K MART

K1 Aramingo Avenue and Westmoreland Street, Philadelphia, (1978), 84,000 sq. ft.
K2 8801 Torresdale Ave., Philadelpia, (1976), 84,000
K3 1776 E. Lincoln Highway, Langhorne, Pa. (1974), 84,000
K4 176 W. Street Road, Feasterville, Pa. (1973), 84,000
K5 York and Ivyland Roads, Warminster, Pa. (1973),84,000
K6 2620 Moreland Ave., Willow Grove, Pa. (1974), 84,000
K7 1874 Bethlehem Tnpk., Flourtown, Pa. (1979), 73,000
K8 Germantown & Dekalb Pikes, Norristown, Pa. (1975), 84,000
K9 3200 W. Ridge Pike, Eagleville, Pa. (1976), 84,000
K10 Rts. 100 and 30, Exton, Pa. (1975), 84,000
K11 Rts. 202 and West Chester By-Pass, West Chester, Pa. (1979), 61,000
K12 704 Lancaster Pike, Strafford/Wayne, Pa. (1977), 84,000
K13 Sproul and Reed Roads, Broomall, Pa. (1974), 84,000
K14 Baltimore Pike and Burmont Road, Clifton Heights, Pa. (1979), 61,000
K15 5005 Edgemont Ave., Brookhaven, Pa. (1976), 84,000
K16 Rt. 541 and Coopertown Road, Burlington, N.J. (1974), 84,000
K17 Rt. 130 and Haines Mill Road, Delran, N.J. (1977), 84,000
K18 Rt. 38 and Lenola Road, Moorestown, N.J. (1973), 84,000
K19 Rt. 70 and Plymouth Drive, Marlton, N.J. (1975), 84,000
K20 7500 S. Crescent Blvd., Pennsauken, N.J. (1979), 90,000
K21 Rt. 130 and King's Highway, Brooklawn, N.J. (1980), 61,000
K22 Blackwood/Clementown and Little Gloucester Roads, Blackwood, N.J. (1973), 84,000
K23 326 S. Whitehorse Pike, Berlin, N.J. (1974), 84,000
K24 Clements Bridge Road and Rt. 140, Deptford, N.J.(1980), 61,000
K25 Broad Street, Paulsboro, N.J. (1977), 73,000
K26 Tollhouse Plaza, Rt. 45, Mantua, N.J. (1973), 84,000
K27 Delsea Drive, Glassboro, N.J. (1976), 84,000

CLOVER

C1 Ridge Pike and Henry Avenue, Philadelphia (1977), 80,000 sq. ft.
C2 Cottman and Castor Avenues, Philadelphia (1978), 150,000
C3 8800 Frankford Ave., Philadelphia (1978), 80,000
C4 Bucks County Mall, Feasterville, Pa. (1978), 75,000
C5 Rt. 1 and W. Trenton Avenue, Morrisville, Pa. (1972), 90,000
C6 Rts. 202 and 73, Centre Square, Pa. (1973), 80,000
C7 Baltimore Pike and Rt. 420, Springfield, Pa. (1973), 80,000
C8 Baltimore Pike and Rt. 352, Media, Pa. (1979), 87,000
C9 Rt. 130 and Riverton Road, Cinnaminson N.J., (1972), 95,000
C10 Rts. 70 and 73, Marlton N.J., (1971), 100,000
C11 Cuthbert Boulevard and MacArthur Drive, Westmont N.J., (1976), 85,000
C12 Rt. 42 and North/South Freeway, Blackwood N.J., (1971), 100,000

KING'S

Kg1 Arlenes Avenue and Lincoln Highway, Fairless Hills, Pa., 70,000 sq. ft.
Kg2 Almshouse Road and Easton Road, Warrington, Pa., 55,000
Kg3 666 East Main St., Lansdale, Pa., 60,000
Kg4 Rt. 273 and Churchmans Road, New Castle, Del., 59,500

JAMESWAY

Ja1 Rt. 23 and Rt. 113, Phoenixville, Pa., 60,000 sq. ft.
Ja2 Rt. 309 and Rt. 113, Souderton, Pa., 90,000
Ja3 80 South Whitehorse Pike, Hammonton, N.J., 60,000
Ja4 Rt. 9 and Bethel Road, Sommers Point, N.J., 30,000
Ja5 Dix-McGuire Plaza, Rt. 545, Wrightstown, N.J., 80,000
Ja6 Rt. 585 and Dennisville Road, Cape May Courthouse, N.J., 63,000
Ja7 Delsea Drive & Bristol Road, Glassboro, N.J., 63,000

GAYLORDS

G1 DuPont Highway and Rt. 13, Newark, Del., 65,000 sq. ft.
G2 Chestnut Hill Road and Marrows Road, Newark, Del., 80,000
G3 3600 Miller Road, Wilmington, Del., 55,000
G4 1251 Centerville Road, Wilmington, Del., 80,000

AMES

A1 Basin Road and DuPont Highway, New Castle, Del., 50,000 sq. ft.
A2 Rt. 10 and Old Rt. 1, Oxford, Pa., 50,000
A3 Pottstown Avenue and Perkroman Plaza, Pennsburg, Pa., 50,000

ATLANTIC

At1 Passyunck Avenue and 23rd Street, Philadelphia, 50,000 sq. ft.
At2 Delsea Street and Cooper Street, Westville, N.J., 70,000

MURPHY'S MART

M1 Rt. 9 and S. Dennis Road, Cape May Courthouse, N.J., 90,000 sq. ft.

JEFFERSON/WARD (all 1980)

J1 Germantown & Dekalb Pikes, Norristown, Pa., 100,000 sq. ft.
J2 Norco Mall, Pottstown, Pa., 88,000
J3 Knight and Street Roads, Bensalem, Pa., 157,000
J4 Rt. 1, Levittown, Pa., 104,000
J5 Red Lion Road and Roosevelt Boulevard, Philadelphia, 100,000
J6 West Chester Pike and Spring Road, Broomall, Pa., 122,000
J7 50 MacDade Blvd., Glenolden, Pa., 91,000
J8 York and Mill Roads, Hatboro, Pa., 122,000
J9 Penn Avenue and Union Boulevard, Bethlehem, Pa., 120,000
J10 Mount Holly and Sunset Roads, Burlington, N.J., 80,000
J11 Rt. 30 and Laurel Avenue, Stratford, N.J., 125,000
J12 Rt. 45 and Parkville Road, West Deptford, N.J., 95,000
J13 Rt. 206, Bordentown, N.J., 160,000
J14 Rt. 38 and Cuthbert Boulevard, Cherry Hill, N.J., 165,000
J15 Rts. 30 and 295, Lawnside, N.J., 140,000
J16 Rts. 70 and 73, Marlton, N.J., 157,000
J17 Rt. 130 and Chester Avenue, Delran, N.J., 153,000
J18 Rt. 42 and Irwin Place, Turnversville, N.J., 89,000

WOOLCO

W1 Adams and Rising Run Boulevard, Philadelphia (1979), 80,000 sq. ft.
W2 Rt. 13 and Woodhaven Road, Cornwell Heights, Pa. (1973), 115,000
W3 Rt. 1 and Oxford Valley Road, Langhorne, Pa. (1975), 145,000
W4 Blair Mill Road and Moreland Avenue, Horsham, Pa. (1972), 115,000
W5 Welsh and North Wales Roads, Lansdale, Pa. (1975), 90,000
W6 Rt. 113 and County Line Road, Souderton, Pa. (1976), 83,000
W7 MacDale Avenue and South Avenue, Holmes, Pa. (1970), 115,000
W8 Burlington Road and Ridgely Street, Mount Holly, N.J. (1976), 85,000
W9 Rt. 130 and Charleston Road, Willingboro, N.J. (1974), 90,000
W10 Rt. 130 and Cinnaminson Avenue, Cinnaminson, N.J. (1973), 115,000
W11 260 White Horse Pike, Clementon, N.J. (1977), 100,000
W12 761 Black Horse Pike, Turnersville, N.J. (1977), 90,000
W13 Rt. 45 and Alliance Road, Woodbury Heights, N.J. (1978), 83,000

Region	Proj. No. Disc. Stores Dec. '80	No. Disc. Stores Dec. '79	Proj. % Increase 1980	No. Disc. Stores Dec. '78	Proj. Sq. Footage Dec. '80 (add 000)	Sq. Footage Dec. '79 (add 000)	Proj. % Increase 1980	Sq. Footage Dec. '78 (add 000)
SOUTHEAST Ala., Fla., Ga., Ky., Miss., N.C., S.C., Tenn., Va., W. Va.	1,595	1,437	11.0	1,353	107,680	96,517	11.6	94,895
EAST CENTRAL Ill., Ind., Mich., Ohio, Wis.	1,541	1,485	3.8	1,398	113,918	110,198	3.4	104.812
MIDDLE ATLANTIC D.C., Del., Md., N.J., N.Y., Pa.	1,216	1,182	2.9	1,131	97,361	95,047	2.4	95,053
SOUTHWEST Ariz., Ark., La., N.M., Okla., Tex.	1,143	1,034	10.5	976	69,664	63,471	9.8	57,845
WEST CENTRAL Iowa, Kan., Minn., Mo., Neb., S.D., N.D.	723	678	6.6	654	49,132	45,966	6.9	38,776
PACIFIC Alaska, Calif., Hawaii, Ore., Wash.	687	658	4.4	632	51,446	49,400	4.1	48,010
NEW ENGLAND Conn., Me., Mass., N.H., R.I., Vt.	602	575	4.7	547	40,804	38,904	4.9	37,702
MOUNTAIN Colo., Idaho, Mont., Nev., Utah, Wyo.	229	217	5.5	200	14,661	13,819	6.1	13,329

Southeastern Region Gets Store Lead

For the first time, the East Central States do not hold the greatest number of discount stores within their boundaries.

Steady development of Sunbelt markets by chains has finally given the Southeastern region—Alabama, Florida, Georgia, Kentucky, Mississippi, North and South Carolina, Tennessee, Virginia and West Virginia—the lion's share of discount stores: 1,595 units by year's end, up 11% over last year.

T.G. & Y., K mart, Rose's, Jeffersons, Bradlees (moving into Virginia for the first time with three units), Magic Mart, and Wal-Mart were among the chains continuing to find fertile soil in this part of the country.

Growing nearly as quickly in 1980 were markets in the Southwest, which by year's end will be playing host to 1,143 discount stores—a 10.5% increase over 1979's unit count.

K mart, Wal-Mart, T.G. & Y., Target, Howard Bros. and Gemco/Memco were among the chains increasing their interest and investment in milder-weather markets.

In the Snowbelt, unit gains were advancing at a more moderate rate.

The Middle Atlantic and New England States, the cradle of discounting, boosted store counts by only 2.9% and 3.8%, respectively, down from the 4.5% and 5.1% rate of growth reported in 1979.

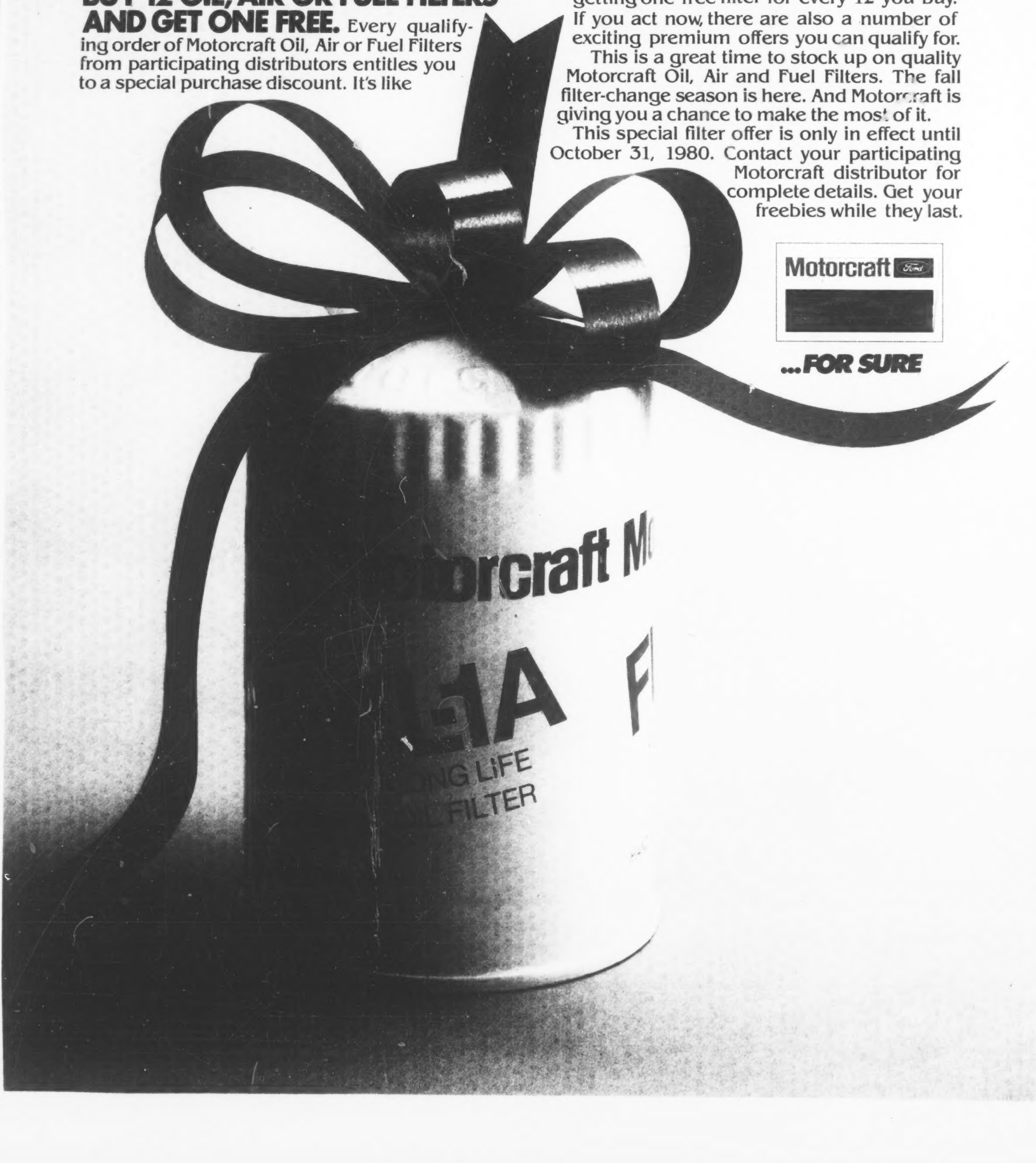
The East Central region, which advanced its store count by 6.2% last year, as the discounters headquartered there filled in bypassed markets and strengthened their position, grew by only 56 units this year, as compared to 87 the year before.

Steady unit growth—consistent with last year's advances—was evident in all other parts of the country.

Dollar General's Net Skyrockets

SCOTTSVILLE, Ky.—Six-month earnings for Dollar General leaped ahead 49% to $2,253,000 for the period ended June 30, 1980.

Sales for the first half totaled $84,708,000, a 17% increase over the first-half sales in the previous fiscal year. Earnings per share rose 47% to 69¢.



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This is a great time to stock up on quality Motorcraft Oil, Air and Fuel Filters. The fall filter-change season is here. And Motorcraft is giving you a chance to make the most of it.

This special filter offer is only in effect until October 31, 1980. Contact your participating Motorcraft distributor for complete details. Get your freebies while they last.

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MAJOR DEPARTMENTS	% OPERATED BY STORE	% LEASED
HOUSEWARES	95	5
LADIES'	94	6
MEN'S-BOYS'	89	11
INFANTS'-CHILDREN'S	86	14
SPORTING GOODS	96	4
HARDWARE	94	6
TOYS	96	4
DRUGS	96	4
LINENS-DOMESTICS	93	7
JEWELRY	78	22
SHOES	57	43
GARDEN-PATIO	95	5
RECORDS	92	8
CAMERA	91	9
AUTO ACCESSORIES	93	7
STATIONERY	96	4
TBA	78	22
PAINT	92	8

Source: DSN Research

Chain-Run Depts. on Rise

Discounters further tightened their grip on store profits this year by increasing the number of company-operated departments (vs. lessees) in nine out of 18 categories.

(The nine categories showing no increase were all areas where discounters already operated more than 90% of the departments, industrywide.)

The greatest gains this year were made in TBA (tires, batteries and accessories) service centers and apparel departments.

Auto service centers were long considered a traffic draw, and discounters who wanted the centers under roof preferred to lease out the department rather than bankroll the considerable payroll and operating costs.

Now, that's changing. In the past two years, the number of centers operated by discounters increased seven percentage points—five points in 1980 alone—to 78%.

Likewise in apparel, discounters are continuing to retire their lessees, recognizing that the category's 30%-plus margins can easily boost sales—and profits.

In ladies' apparel, discounters increased their takeover of departments by one percentage point, giving them control and ROI from 94% of the industry's women's departments.

Discounters also increased their operating hold by one point on infants' and children's wear, giving them control of 86% of those departments.

In men's wear, the number of discounter-operated departments rose by two percentage points to 89%.

In shoes, where lessees still have the most significant amount of representation, discounters increased their control by 2 points to 57%.

Other discounter (takeover) gains were made in drugs, up one point to 96%; records, up one point to 92%, and in auto accessories, also up one point, to 93%.

Acquisition Fever Gains

(Continued from page 21)

Last year the Oakland Pay Less chain recorded $300 million in sales and net profit up 6.5% from the previous year to $3.1 million.

Ohio-based Rink's increased its size by two stores in January when it absorbed the two-store NBC Stores operation, part of a six-store expansion program undertaken by the chain. The stores are located in Norwalk and Bellevue, Ohio. Rink's operates 47 stores in Ohio, Michigan and Kentucky.

Ohio-based Schottenstein's also increased the number of stores in operation this year when it opened seven units acquired from Mason's last year. The stores were among 16 Mason's stores acquired when Schottenstein's took over Mason's parent, M. H. Fishman. The remaining stores were sold.

Smaller Stores

(Continued from page 21)

ladder."

Shoppers World moved its headquarters from New York City to San Antonio, Tex., to gain closer supervision of its stores, all of which are in that state.

"Our buyers know what our customers want and can react faster to changes in fashions," an executive said. The move hasn't hurt the apparel-oriented discounter as merchandisers regularly shop the New York apparel market and have expanded their Dallas apparel market shopping.

Focusing a chain's major effort on a market has paid off for David's as its five stores in Wichita are the dominant retailers there, holding about a 30% market share, according to a recent survey.

An executive explained that David's has a three-week lead time for ads, while national chains such as K mart, Woolco, T.G. & Y. and Target with stores in the market need six to eight weeks.

Doing your own thing doesn't mean that smaller chains can't learn from major discounters.

Maloney's adopted a race track layout in its prototype store following the extensive use of this format by a number of national discounters. The discounter is also computerizing its warehouse, an executive said, including the development of sku numbers for every item so that "we can achieve a two-week turnover as have larger chains."

While most of the regional and local discounters have sustained their market position, a few have run into problems. Tradeway is attempting to reorganize under Chapter XI after an expansion program resulted in the discounter ending up with single units in too many markets that faced major chains.

Mr. Wiggs has sold off its five stores in Kentucky so that it can refocus its efforts onto its units in Ohio, its home base.

By concentrating on a specific market area, the smaller discounters have developed a local identity that has paid off in customer loyalty despite the invasion of national chains.

The Singleton's executive asserted that "price isn't the only factor as to why a consumer shops a store. We are a local company and our managers grew up in the neighborhoods where they have their stores."

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You won't have to explain GENIE garage door openers to your customers. We'll be doing that for you. Beginning this fall, people all over America will see GENIE on the Super Bowl, on NBC football, on major market TV. They'll read about GENIE in their favorite magazines. And sports writer George Plimpton, in a new GENIE film, will show them just how convenient a GENIE can be. You'd better stock your shelves...because if you're not selling GENIE, somebody else will be making the sale.

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Average Size of Stores Continues to Shrink

SQUARE FOOTAGE	Projected Dec. 31, 1980		Dec. 1979		% Change in No. Stores Projected 1980 vs. 1979
	No. of Stores	% of Total	No. of Stores	% of Total	
10,000 to 19,999	626	8.1	604	8.3	+ 3.6
20,000 to 29,999	529	6.8	503	6.9	+ 5.2
30,000 to 39,999	639	8.3	591	8.1	+ 8.1
40,000 to 49,999	898	11.6	841	11.6	+ 6.8
50,000 to 59,999	721	9.3	658	9.1	+ 9.6
60,000 to 69,999	819	10.6	760	10.5	+ 7.8
70,000 to 79,999	558	7.2	497	6.8	+12.1
80,000 to 89,999	827	10.7	786	10.9	+ 5.2
90,000 to 99,999	271	3.5	246	3.4	+10.2
100,000 to 119,999	1,343	17.4	1,304	17.9	+ 3.0
120,000 to 139,999	175	2.3	160	2.2	+ 9.4
140,000 to 149,000	59	0.8	50	0.6	+18.0
150,000 to 199,999	189	2.4	184	2.6	+ 2.7
200,000 and larger	82	1.1	82	1.1	NC
TOTAL	7,736	100.0	7,266	100.0	+ 6.5

Source: DSN research; NC = No Change

Average store size continues to shrink during 1980.

While the largest per cent change vs. 1979 was recorded in the 140,000- to 149,000-sq.-ft. range—with nine new giant stores slated to open this year as compared to two last year—the real action was in the 70,000- to 79,000-sq.-ft. and 50,000- to 59,000-sq.-ft. stores.

Growth in those two brackets—68 and 63 new units, respectively—account for 28% of this year's new units. That development can be traced to further chain determination to fill in territories by exploring small exurban markets that demand scaled-down units and to increased operating costs.

Caldor and Zayre, chains founded with 100,000-sq.-ft.-plus stores, opened smaller units this year—under 80,000 sq. ft., and expansion plans for 1981 call for new units of comparable size.

K mart continued to open its Group Nine stores this year, accounting for a considerable portion of the growth in the 50,000- to 59,000-sq.-ft. range. Likewise, T.G. & Y. continued converting its small variety stores into Family Centers and Super Stores of 40,000 to 60,000 sq. ft.

Wal-Mart's preference for a 45,000-sq.-ft. prototype resulted in nearly 60% of the unit growth in this size range. Howard Bros., too, continued to base volume and store growth on a 40,000-sq.-ft. unit, with eight new stores in that size area opened this year, and 20 more on line for 1981. That size accounts for nearly 12% of all discount stores currently in operation.

Still, big stores are not on the verge of extinction—although the smallest percentage increase (2.7%) was in stores larger than 150,000 sq. ft.

Target opened or planned to open by year's end 17 new stores with an average size of 90,000 sq. ft. Gemco/Memco and Gold Circle have plans to open units in excess of 100,000 sq. ft. sometime during 1981.

Magic Mart Opens 3 in Mississippi

LITTLE ROCK, Ark.—Magic Mart has opened three new stores, all in Mississippi, bringing to 10 its total in the state.

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Specialty Departments Multiply

Discounters are continuing to build one-stop shopping capabilities into their mix—and profitability into their bottom lines—by adding and taking over specialty departments from lessees.

In fact, of 18 (specialty) categories reported on, advances in incidence were posted in 16.

The only two departments to register declines in the incidence rate were sewing and millinary departments—two specialty departments exceptionally susceptible to changing consumer tastes and habits. Sewing departments slipped 1.6 points to 59.7%, evidence that, increasingly, some chains are closing up their sewing departments. Millinery departments, too, fell victim to chain demands that each square foot of sales space perform to maximum capability. So while 50% of all chains now operate their own millinery departments—2% more than last year—the number of chains still putting millinery into their mix dropped to 39.1%.

For the second year in a row, the largest advance in the rate of incidence was scored by candy departments.

Other sizable gains—in both chain takeovers and in the rate of incidence—were made by snack bars, pharmacies and optometry departments.

The number of chains now operating their own snack bars rose by 7.4 points to 54.6%. Of that number, more than two-thirds are operated by the chains themselves, rather than by lessees. Last year, DSN's census of the industry showed that only 67% of the chains offering their shoppers this added convenience operated the departments themselves.

Likewise, more discounters installed pharmacy and optometry services—for a total of 40.8% and 30.3% of all chains respectively—under their roofs to further enhance their full-line image and abet one-stop shopping.

2
3
4
5
6
UNE-UP
SHOCKS
TAIL PIPES
MUFFLERS
BRAKES

TBA centers are becoming increasingly popular with discounters trying to maximize one-stop shopping capabilities. Jefferson, Biscayne Boulevard, Miami, has made the specialty category work.

Also significant, in terms of total dollars and the changing emphasis on providing consumers with service, is the increasing addition of TBA centers in discount stores.

In-discount-store supermarkets also increased their rate of incidence this year, to 33.2%.

SPECIALTY DEPARTMENTS OR SECTIONS IN DEPARTMENTS	% OF CHAINS WITH THESE DEPTS.	% OPERATED BY STORE	% LEASED
TBA	35.7	78	22
APPLIANCES-TV	98.1	85	15
LUGGAGE	91.2	98	2
SNACK BAR	54.6	70	30
FURNITURE	68.8	98	2
MILLINERY	39.1	50	50
CANDY	75.4	99	1
SUPERMARKET (a)	33.2	36	64
FLOOR COVERINGS	57.3	98	2
SEWING SHOP	59.7	94	6
TOBACCO SHOP	66.8	95	5
GIFTS	50.7	99	1
PET	43.9	92	8
PHARMACY	40.8	82	18
NURSERY	10.1	100	—
LIQUOR	6.7	92	8
OPTOMETRIST	30.3	80	20
BEAUTY SALON	22.1	3	97

(a) Includes only same-roof departments. Also includes some 4,000-sq.-ft. to 10,000-sq.-ft. departments.)

(DSN Research)

Trade-up

(Continued from page 21)

to boost sales per square foot by 10%-15% by going higher, particularly in its hard line departments.

Thirty per cent of the gondolas will be raised in the chain's 100,000-sq.-ft. units. while almost all gondolas will grow taller in the 80,000-sq.-ft. stores. (The 54-in.-high gondolas will be stretched to 66 in. high, while 60-in. shelves will be increased to 72 in. high.)

With the newly acquired space Nichols will expand its successful home improvement sections (in its smaller 80,000-sq.-ft. stores), and apparel departments, and add bedding to its larger 100,000-sq.-ft. units. Wicker and picture frame selections will also get more floor space, chainwide.

"In the past if we wanted to expand merchandise categories we would decrease facings in other areas and keep goods in the backroom or warehouse," said a chain spokesman. "That's no longer an economical alternative. We want the merchandise on the floor."

Rink's, too, pushed gondola heights upward in order to maintain merchandise levels in stores when construction and overhead expenses forced them to build smaller-scale stores.

"We couldn't start cutting down merchandise, so the only way to go was up," said Sol Norflus, senior vice president at Rink's.

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K mart to Unveil New Prototype

TROY, Mich.—There's a new K mart coming.

The discount industry's powerhouse chain will unveil its long-awaited new store prototype, which includes changes in its hard goods presentation, in early November in Indianapolis, where nine K marts are currently being remodeled.

The new-look format will go into at least one of the nine stores being refurbished. This test K mart of the 1980's will build on the upgraded apparel department unveiled earlier this year, incorporating a number of other moves that include:

- A complete race-track layout, the discounter's first use of this store format that has become standard at a number of other chains.
- Consolidation of a number of departments into an in-store home improvement center that will merchandise hardware, paint, electricals, plumbing, lumber and building materials.
- Realignment of some other hand goods department to go into the footage opened up by the combining of the sections into a home improvement center.
- Relocation of jewelry and cameras to the front of the store as the first upscale department customers see when they enter the store.
- Shifting delicatessen, which had been in the front of the store, behind the checkout counters.
- Simplification and standardization of interior signs as well as modernization of permanent wall and ceiling signs. A new contemporary interior color scheme will be used.
- Reduction in the use of interior signs, so that they don't compete with each other for customers' attention.

The use of the race-track layout and the realignment of the hard goods departments are the key to the new prototype K mart.

The other moves that will accompany these two major steps—development of a home improvement center, spotting jewelery and cameras in the front of the store, relocating the delicatessen counter, and use of the upgraded apparel format—will be incorporated into the remodeling of all the Indianapolis stores.

The Indianapolis project, company officials asserted, is the first part of a move to adopt a new interior design for K mart for the 1980's. If successful, the new layout and display could be introduced into K marts in several other large markets as early as mid-1981.

The new program being developed by K mart will enable it to move into a new market position as a step-up discounter, competing on a stronger footage with regional and national retailers that draw upscale shoppers.

The soft goods portion of this effort was unveiled in Lodi, N.J., in June, and during the summer was expanded to three K marts in Fayetteville, Ark.

The new K mart that's coming isn't limiting its efforts to just a new store prototype. It is also revamping its ad program to boost the use of magazines in an effort to attract more affluent, better-educated and bigger-spending consumers—the same customers that are the target group for the new store presentation and upgraded merchandising program.

The election of Bernard Fauber as chairman and chief executive officer was the spark that set off the new K mart thrust. He's committed to an internal growth program that focuses on revising and intensifying the discounter's merchandising, advertising and store design to meet the higher quality demands of more affluent, middle-income, Middle-America customers.

External growth will be very selective, as witness the purchase of the Furr's Cafeteria chain, a move that could also help K mart boost the productivity of its own in-store feeder operation.

Zayre

Remodeling Speeds Zayre's Growth

FRAMINGHAM, Mass.—Zayre is forging ahead with its modernization program, which led to a 35% increase in operating income last year. Remodeled stores are expected to bring the chain financial growth in the years ahead.

Thirty-six Zayre stores were renovated this year in Washington, D.C., and in Tampa, St. Petersburg, and Orlando, Fla. (In 1979, 65 stores in Boston, Chicago and Miami were updated).

Zayre also continued to trim away nonproductive stores and to add locations. The chain began the calendar year with 254 units and plans to slim down to 247 by year's end.

Profits did not fair as well in Zayre's first half, largely due to the effect of the recessionary environment, said a chain spokesman. The combination of skyrocketing interest rates and the chain's significant amount of borrowing during this period sent its interest expenses up 49% vs. last year's first-half level.

Net income fell substantially to a loss of $469,000 from last year's first-half earnings of $1.805 million.

Still, Zayre expansion plans continue. Three new stores are on line for openings this fall. A 58,000-sq.-ft. store in Fort Walton, Fla., and a 91,000-sq.-ft. unit in Panama City, Fla., will open in October. The opening of a 99,000-sq.-ft. store in New Hartford, Conn., is slated for November. An estimated 10 new stores will be added to the count in 1981, according to chain officials.

In the apparel specialty store division, a net of five Hit or Miss stores and 12 T. J. Maxx outlets will be added this current fiscal year.

The chain posted a 10% increase in sales for the latest completed fiscal year to $1.33 billion from year-before volume of $1.22 billion. Profits rose substantially during that time from $14 million to $17 million, a 21% increase.

Zayre officials projected stable sales for both corporate and discount operations in the current fiscal year. Discount store sales are expected to climb 3.6% to $1.375 billion, while corporate sales are targeted for a 2.3% increase to $1.625 billion. Included in these corporate projections is a 2.1% increase to $195 million projected for the Hit or Miss and T. J. Maxx stores, which together contribute 12% of total corporate sales.

Primarily in response to the chain's first-half profit performance, Zayre implemented standby contingency plans.

T.G. & Y. on Target for $3B Biz by '83

OKLAHOMA CITY—Halfway through the five-year plan launched in 1978, T.G. & Y. is on target for $3 billion in sales by 1983.

In line with its decision to go full steam ahead as a discounter, the chain is continuing to close or convert its traditional variety stores to a discount store format at a brisk clip.

Twenty-four existing stores were shuttered by mid-year and another two dozen were slated to close by the end of the year. Those closings, however, were offset by more than 50 conversions and new store openings.

Most of the new growth is planned for the Southeast, most notably Florida, Alabama and Georgia, and the Southwest—Oklahoma and Texas.

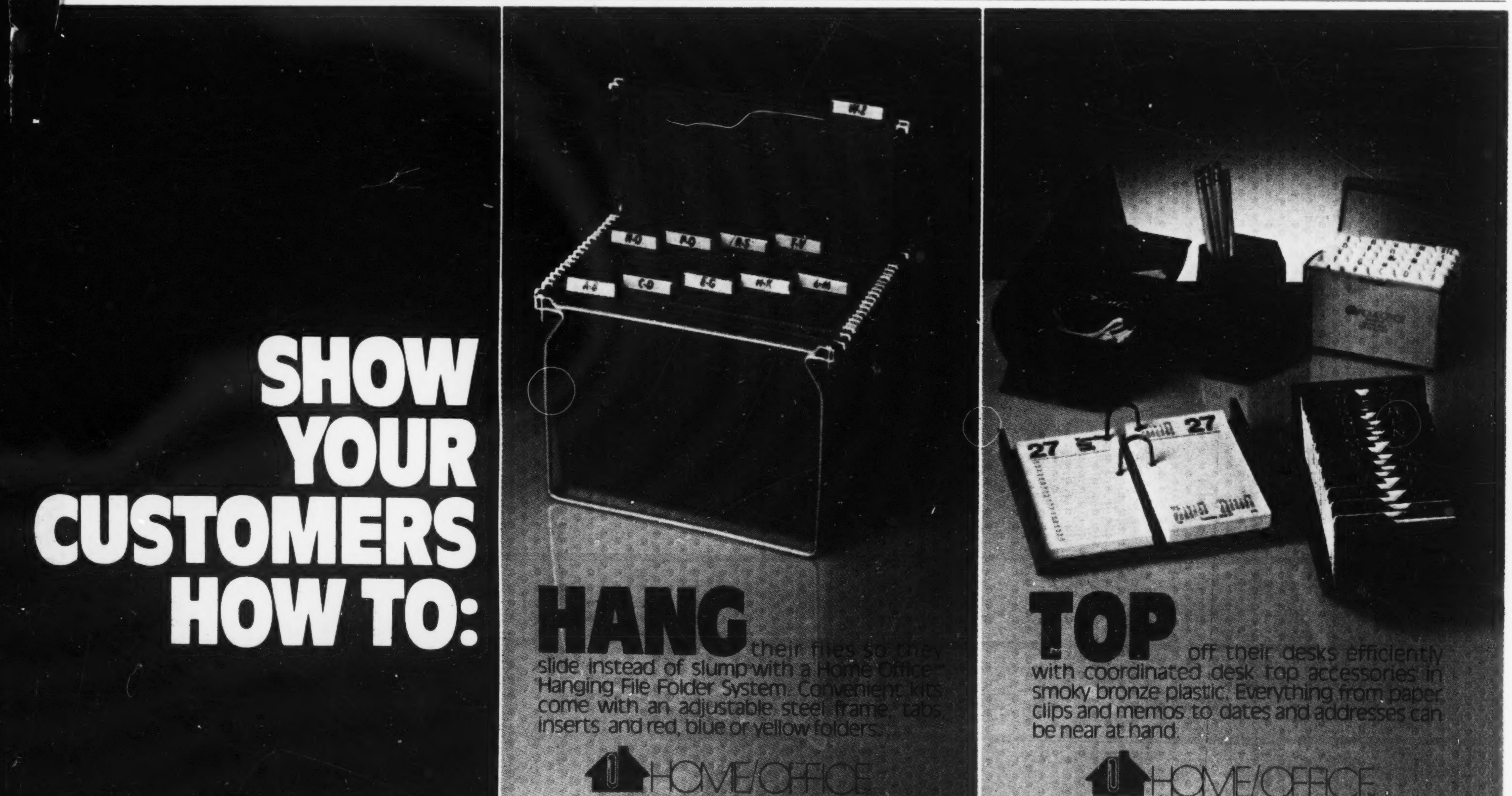
Sales last year totaled $1.5 billion, with the Family Centers and super stores accounting for $1.2 billion and the variety stores for the rest. The chain projects sales of $1.7 billion for the current fiscal year.

To keep its far-flung store network (33 states) sufficiently supplied, the chain is streamlining its distribution system, aiming to handle 80% of its mix through its own replenishment system by 1983.

The company, which opened its first distribution center in 1977, now operates five centers including a 200,000-sq.-ft. center opened in Macon, Ga.

At the same time that the company has been fine tuning its distribution system it has also been at work planogramming its merchandise mix. By next year, the company hopes to have a planogram governing each department.

Other facets of the five-year plan include management training seminars for store and field managers, and ultimately, full computer capability. Currently, only warehouse inventory and most of the company's bookkeeping functions are online.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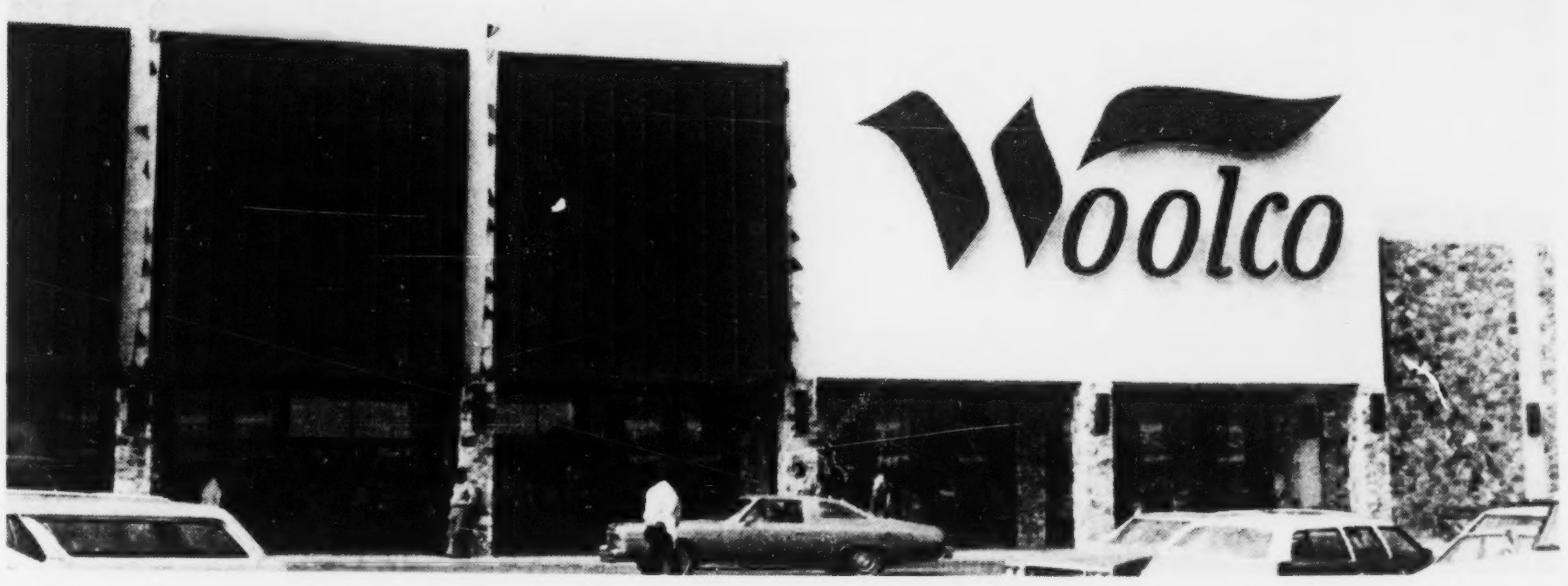

Woolco Focuses on Clusters

NEW YORK—Continuing plans put in motion last year, Woolco is focusing on bottom-line productivity gains through a series of steps that include:

- Clustering stores to gain maximum consumer recognition and advertising impact—or pulling out of markets, like Atlanta, where the three units were not enough to deliver a profitable level of sales.
- Scaling down store footage to reduce operating costs and leasing the freed space to its own J. Brannam specialty apparel chain, among others.
- Taking over leased departments so that all sales generated in the high-volume discount stores will accrue to the parent company, and a coordinated, total store merchandise presentation will be possible.

The result, Woolco executives said, should be at least a 10% sales gain that would push discount store volume in the United States and Canada to more than $3.2 billion at the end of this fiscal year, up from $2.85 billion last year. Company-operated sales will jump to about $3 billion from $2.3 billion last year due to the leased department takeovers under way in Woolcos in the United States.

The takeover of the apparel departments is the key to Woolco's efforts to boost profitability. Taking over the two clothing departments will redirect more than $20 million in licensing fees to the discounter—$12.8 million from ladies' wear which is now merchandised by Apparel Buying Associates and $7.5 million from the remaining 148 Rockover-run men's wear departments.

Kinney Shoes, a subsidiary of Woolco's parent F. W. Woolworth, will run the shoe sections for the chain as the current crop of lessees moves out.

A similar takeover effort is under way in Woolco Canada, where the discounter will phase out the Grafton Group as operator of the stores' men's wear departments.

The scaling down of Woolco stores hasn't affected the discounter's expansion plans, with 45 new units set to open this year: 30 in the United States and 15 in Canada. This will boost the chain's North American store count to 465.

The parent company's discount operations aren't limited to just the Woolco stores. It has launched J. Brannam as a chain of apparel specialty stores.

Woolworth opened 27 J. Brannam stores this year from a standing start.

FedMart Increases Its Business, Reduces Losses For 36 Weeks

SAN DIEGO—FedMart is banking on its heavy Sunbelt locations and its supermarket traffic to weather the present economy and to hoist the chain out of its profitability troubles.

The chain has been plagued with losses in recent years—the most serious of which was an $11.1 million loss reported in fiscal 1979—although the current fiscal year's results are somewhat improved.

Net earnings of $2.8 million were recorded for the second quarter, ended Feb. 17, moving FedMart into the black by wiping out almost comparable losses reported during the first quarter. Net earnings for the first half were $225,000.

Sales, however, slipped again during the third quarter, ended May 11, totaling $238 million—only 3% higher than the comparable period a year ago—and net losses reached $1.8 million. This gives the discounter $734 million in sales and a net loss of $1.6 million for the 36-week period ended May 11, compared to sales of $670 million and a net loss of $13.8 million for the same period a year earlier.

The chain, admittedly weak in management especially in non-food merchandising, is hoping to improve its bottom line with the new merchandising talent added in recent months, which included the naming of Bernard Litwak as president.

Industry observers are speculating, however, that unless Heinz Gundlach, ceo, starts delegating merchandising responsibilities, management turnover will continue and improved profitability could be jeopardized. Gundlach, tapped by principal shareholder Hugo Mann to run the company, moved up to ceo when Litwak joined the company.

Some suppliers are predicting that FedMart will soon beef up its hardware department by expanding merchandise lines and space allocations, noting that the chain recently created the new position of dmm-auto/TBA/hardware with the appointment of Donald Penning.

Moreover, FedMart wants to boost its apparel business to 15% of total corporate sales. Presently, apparel averages a little more than 10% of chain volume. Stores with full apparel assortments reportedly are seeing department sales account for 13% of unit volume and some recently expanded and remodeled departments are hitting 20% of store sales.

But, if FedMart is to effectively compete with other West Coast discounters with strong apparel departments, the chain will need stronger department identification—visual merchandising improvements to draw customers' attention to the area, and better department configurations.

With two new Houston units and a Phoenix store coming on line during the first quarter of the current fiscal year, the chain's ranks swelled to 68 units.

Fred Meyer to Test Half-size Prototype

PORTLAND, Ore.—Fred Meyer, with sales expected to fall just short of $1 billion this fiscal year, is planning to test a new half-sized prototype in the rural Northwest this fall.

Officials said the first of the smaller stores—which will total about 80,000 sq. ft. in size—will be opened in Dalles, Ore., in November.

If the facility meets sales projections, company officials said, it could pave the way for a series of new smaller Fred Meyer stores in the coming years.

Chain executives said, though, that the company will continue to build the larger 175,000-sq.-ft. stores in suburban markets.

"This isn't a make it or break it situation, and we certainly aren't making a major break with the way we have expanded in the past," explained a company spokesman. "But exactly what we do in the coming years depends greatly on the results of the new store."

The announcement for the smaller prototype comes as the chain prepares to move significantly closer toward becoming a member of the $1 billion sales club.

Total sales this year are expected to total $958 million—up from the $840 million recorded last year. In 1980 an additional 480,000 sq. ft. will be added to the chain.

Part of the expansion will be from the three new stores that will be added to the existing 64 units by December.

According to officials, the new prototype will have a slightly higher percentage of space devoted to food—about 25,000 to 26,000 sq. ft.

The increased amount of space does not represent a change in thinking by company executives, who said the food to nonfood ratio will remain unchanged in the larger stores, but was generated by the floor space requirements commanded by freezers.

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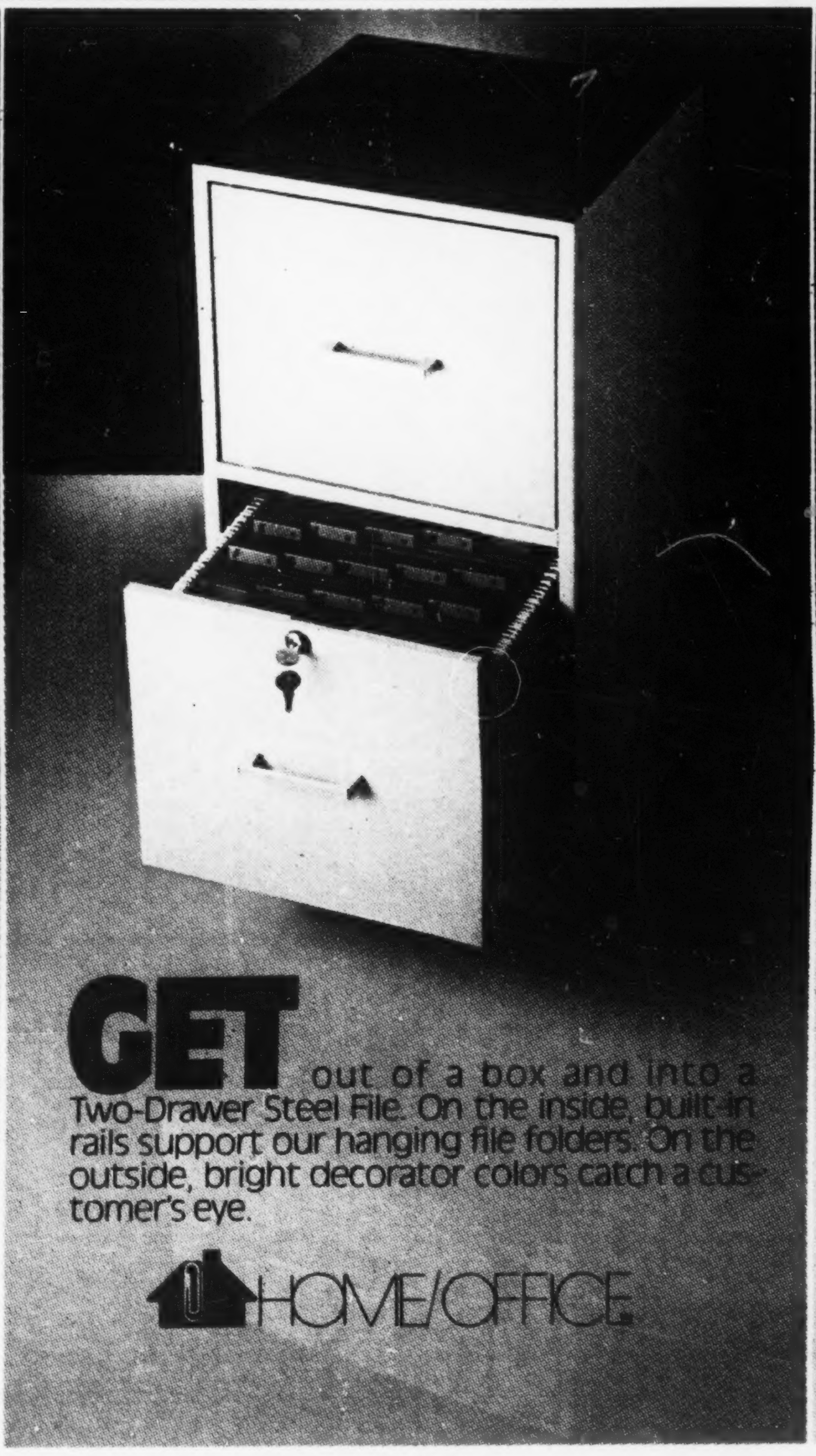
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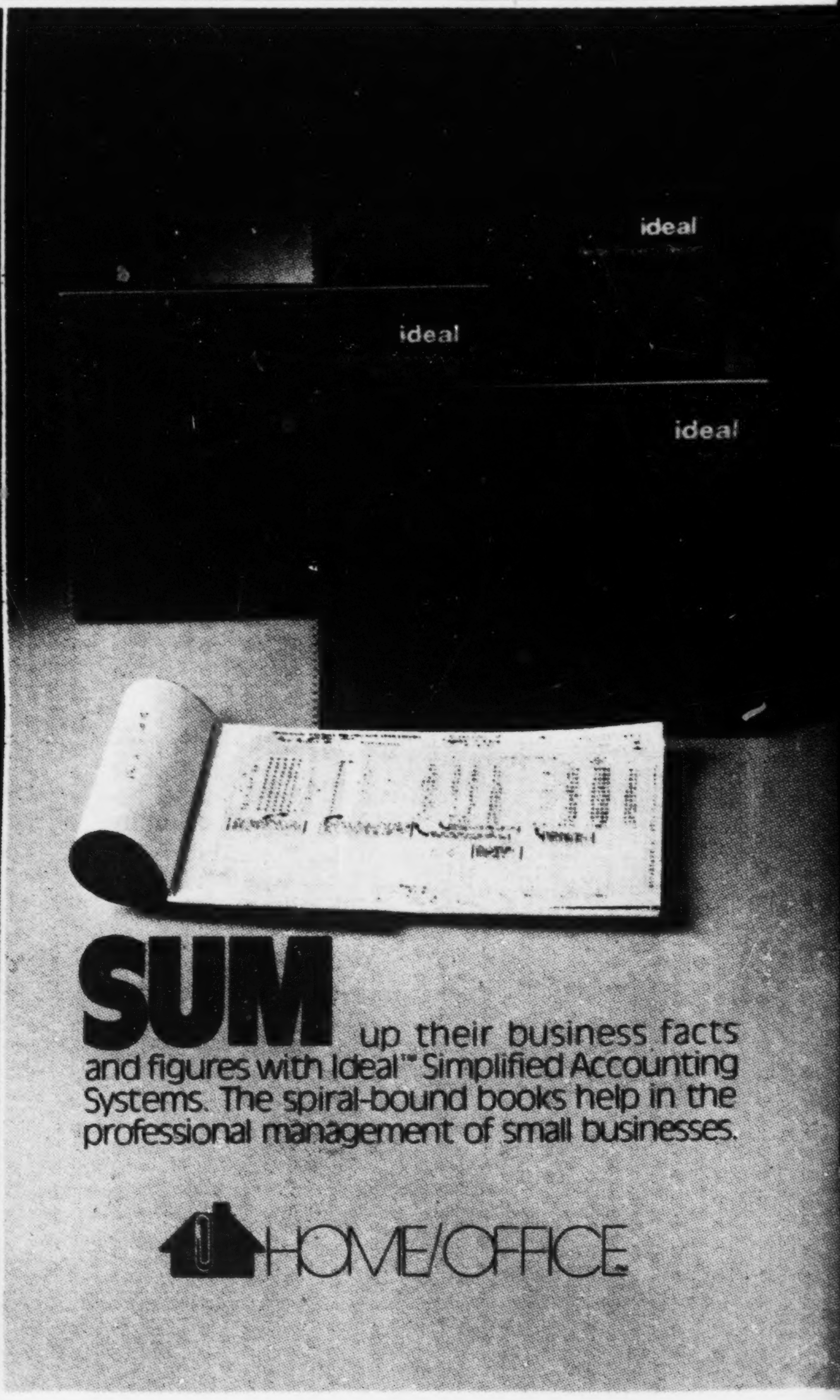

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HOME/OFFICE

Caldor to Invade R.I., Vermont

NORWALK, Conn.—Caldor will add two new states to its operating base with a store opening next month in Woonsocket, R.I., and another slated for Vermont in early 1981.

This year's expansion plans are part of a $10 million capital expenditure program aimed at boosting gross store space to 500,000-700,000 sq. ft.

Next year, Caldor management expects to open six to eight new stores (with the possible opening of another in Rhode Island and a couple in New Hampshire), all of which will conform to the conventional size of 85,000 sq. ft. and 80% selling space.

Caldor has opened five new stores this year, and by year's end will operate a total of 62.

(New Caldors were opened in March in Westfield, Mass., and Newburgh, N.Y. In May, the chain opened in Worcester, Mass., and in August, two stores were unveiled in Norwell and Chelmsford, Mass.)

Refurbishing of Caldor's 120,000-sq.-ft. two-level store in downtown Stamford, Conn., was completed in March. The store was given a new facade as well as a remodeled interior.

For the fiscal year ended Jan. 31, 1980, sales rose to $562.7 million, a gain of 18.3%. Net earnings gains outpaced sales, rising 27.6% to $19.7 million from $15.5 million the year before. The chain's projections indicate that this year sales were on target for the annual goal with an 18.9% increase to $276.4 million from last year's $232.5 million. Caldor's results are especially impressive considering the softening economy and gasoline shortages.

The new stores are receiving the upscale fashion apparel emphasis that was heightened in stores opened in 1979. This is part of an intensification of apparel merchandise designed to bring soft lines volume from 30% to 40% of total sales.

The added emphasis on high-margin soft lines began with Caldor's hiring of new merchandising personnel, and led to the inclusion of fashion fixtures, used most notably to highlight coordinates. Leonard Willner, the chain's new general merchandise manager, is negotiating with manufacturers of name brand apparel in an attempt to get their goods into the mix.

This fashion orientation has filtered down to the presentation of housewares, where remodeled departments now use ceramic floor tiles and natural wood displays to give a "Bloomingdale's" look to housewares items. Wicker, brass and copper products are sprinkled throughout the department.

Cook Resumes Bows With Two Due in '80

MAPLE HEIGHTS, N.J.—Though hard hit by the economic slowdown, Cook United is taking an aggressive stance. The chain is once again building new stores, opening two this year, and is experimenting with such innovations as in-store snack bars and "no-frills" box stores.

The chain has also launched a test of increased "home center" merchandising including lumber and paneling, hoping to attract the do-it-yourself market with discount pricing.

With stores clustered in major metro markets in the Northeast, where family spending has been seriously limited by severe layoffs in the auto and construction industries, sales have been flat and earnings have sagged. Soaring interest rates in the first quarter also adversely affected the chain.

For the fiscal year ended Feb. 2, sales for the discount division totaled $353.7 million and earnings for the division were $5.9 million. The chain projects sales of $359 million.

In addition to the two stores slated to open later this year, a remodeling program for existing stores is also under way. Last year approximately 10% of the stores were facelifted, including an upgrading of fixtures.

The chain is also tackling the strong competition it faces from other discounters in its market areas by relying increasingly on radio and TV advertising. To raise traffic, the merchandise mix has been broadened and highly promotable brand names are emphasized, especially in hard lines.

Parent Company Cook United operates 81 discount stores—Cook's, Clarks, Uncle Ben's, Ontario and Consolidated Sales Co.—whose average store size is over 60,000 sq. ft. Other corporate revenues are derived from six wholesaling companies.

Target Acquisition of Ayr-Way Nears

MINNEAPOLIS—Target is entering a period of dramatic growth, the keystone of which will be the pending acquisition of the 41-unit Ayr-Way chain.

Plans call for acquisition of the Indiana-based chain to be finalized around Oct. 1 at a price estimated to be between $25 million and $30 million.

If plans go as scheduled, the Ayr-Way signs will be replaced by the Target bull's-eye by Jan. 1.

The resulting change in ownership would give Target a particularly strong base in Indiana, where 32 of the Ayr-Way stores are located.

The takeover would also enable Target to stretch without interruption across half of middle America, hitting all of the major markets between its Minnesota headquarters and Memphis, its easternmost market.

With the opening of new 100,000-sq.-ft. stores last month, Target has also moved into Kansas and Tennessee for the first time.

Adding It Up

The new stores—three in Memphis and two in Wichita, Kan.—bring to 91 the number the chain operates currently in 13 states. The chain plans to grow to 175 units by 1985.

The expansion comes at the same time the chain is building a large distribution center in Little Rock, Ark.

The center, which will have the capacity to serve a total of 100 stores in the South and Southwest, is expected to be completed in 1981. It will further support the chain's drive into new markets.

With the marked growth, Target became one of only eight discount chains in the nation last year to reach sales in excess of $1 billion.

This year, despite an uncertain economy, prospects for the chain are even better, with company officials predicting a 25% growth rate, to about $1.4 billion in sales.

The strong growth is good news for Dayton Hudson, Target's parent company, which had been investing heavily in the discount operation over the last few years.

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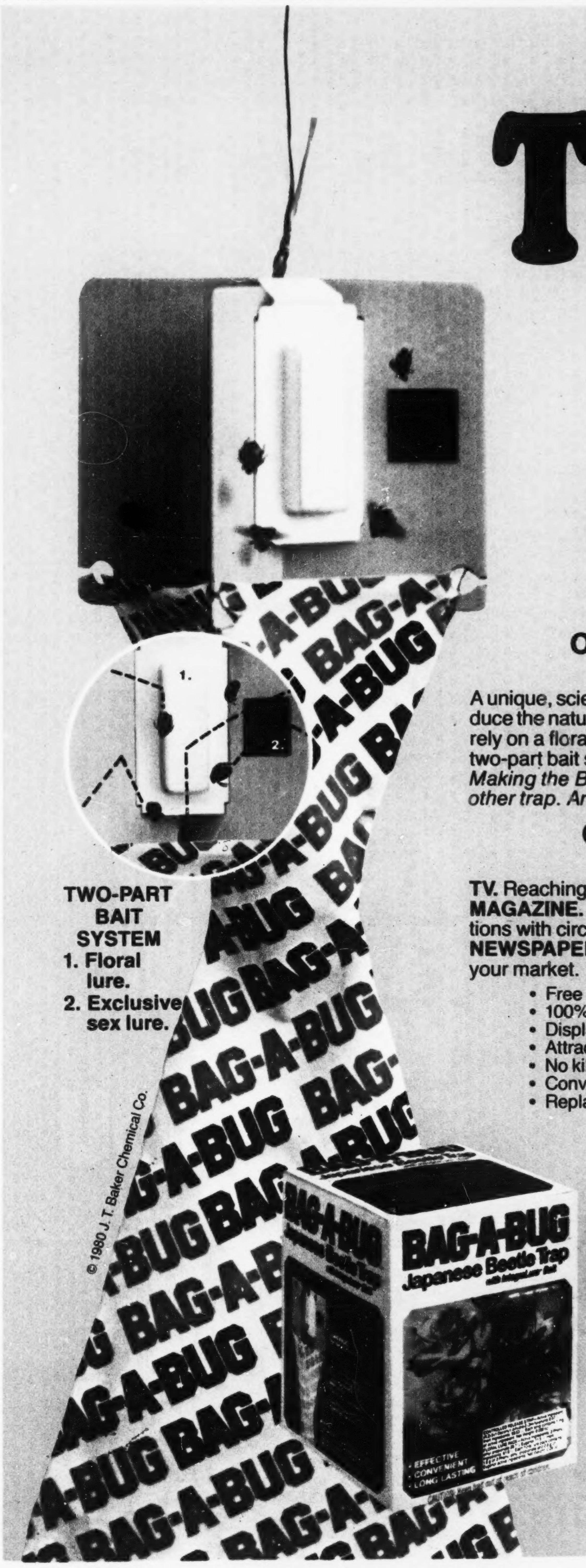
Discountland: 19-Year Record of Sales, Store Growth

YEAR	TOTAL SALES IN BILLIONS	TOTAL STORES	NET GAIN OF STORES	TOTAL SQ. FT. IN MILLIONS	DOLLARS PER SQ. FT.	AVG. SALES PER STORE IN MILLIONS	AVG. STORE SIZE SQ. FT. IN THOUSANDS
1980	$60.50	7,736	470	546	$110.79	$7.82	70.60
1979	55.00	7,266	375	513	107.15	7.57	70.60
1978	50.00	6,891	353	490	101.95	7.26	71.11
1977	47.00	6,538	396	468	100.00	7.19	71.58
1976	44.00	6,142	606	442	99.00	7.16	71.96
1975	38.00	5,536	126	399	95.00	6.86	72.07
1974 (a)	34.40	5,410	448	389	88.00	6.40	71.90
1973	31.50	4,962	248	350	88.32	6.27	70.54
1972	28.15	4,720	376	344	81.83	5.96	72.88
1971	25.60	4,344	333	306	83.66	5.89	70.44
1970	22.50	4,011	398	276	81.52	5.61	68.81
1969	18.44	3,613	306	244	75.57	5.10	67.53
1968	16.35	3,307	302	222	73.64	4.94	67.13
1967	13.61	3,005	321	199	68.39	4.53	66.22
1966	11.51	2,684	236	171	67.30	4.29	63.71
1965	9.82	2,448	219	151	65.00	4.01	61.68
1964	8.46	2,229	60	136	62.20	3.79	61.01
1963	7.51	2,169	144	122	61.55	3.46	56.25
1962	6.00	2,025	—	107	56.00	2.96	52.84

(a) Reflects 18-month period ended Dec. 31, 1974

(Source: DSN Research)



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Philadelphia

(Continued from page 30)

urbs. Woolco was an anchor of the Rising Sun Plaza which opened in the city's northeast section late last year, the first new shopping center built in that area in almost 20 years. (It was Woolco's 15th unit in the market area.)

K mart is still the dominant discounter in store numbers, with 27 units ringing the city, but Jefferson/Ward's entry into the market will give the Michigan-based chain a run for the money. Jefferson/Ward's plans call for 20 units operational in the market area next year; five of the dozen former Two Guys are close to K marts.

In addition, while K mart stores are virtually all 84,000 sq. ft., Jefferson/Ward prefers a store size close to 120,000 sq. ft. (the former Two Guys stores were that large). This means that Jefferson/Ward will come close to K mart in total square footage in the market area. Both chains will have in the neighborhood of 2.3 million sq. ft. of store space (gross).

Trade-up Jefferson/Ward stores are distinct from K marts, of course. Ward chairman and ceo Edward Donnell claims they will be "competitive" in hard goods and "different in style, presentation and price" in soft goods.

Locally based discounter Clover, a division of Strawbridge & Clothier, is closest to Jefferson/Ward in its merchandising. Clover's 13 stores have a total gross square footage of 1.2 million sq. ft.

Clover has been expanding its store base slowly, and current plans call for two more stores to open next year. The hometown chain plans to open an 87,000-sq.-ft. store in April in Warrington, Pa., a community north of the city. The second store, also 87,000 sq. ft., is slated to open in August in Cheltenham, Pa. Cheltenham is in Montgomery County, highest suburban county in general merchandise sales, with an annual general merchandise volume in excess of $500 million.

With trade-up discounters and more basic operators continuing to build, and general merchandise spending continuing to boom—particularly in spots such as Gloucester County, N.J., where general merchandise spending has been growing in excess of 40% a year—both consumers and retail observers should see an interesting 1981.

Jefferson Expansion A Big Boost to Ward

MIAMI—Jefferson has become the growth vehicle for its troubled parent Montgomery Ward.

The discounter, under its own logo in Florida and under the Jefferson/Ward nameplate elsewhere, will double in size to 42 stores this year, and over the next three years will gain 120 units.

The reason for this fast-track expansion, executives of both companies have acknowledged, is that Jefferson offers Ward a different—and so far successful—way to compete with Sears, Penney and other retailers.

Ward needs a different retailing horse to back, as its head-o-head race with other conventional department stores has seen the company pile up losses on small sales gains.

The tip-off on Ward's backing for Jefferson is the parent company's decision to convert 115 conventional stores to the discounter's upscale format and logo over the next three years. This move will make Jefferson the Ward's arm in the eastern half of the country from Maine to Florida and extending as far west as the Mississippi River.

Ward brought Jefferson along slowly last year, letting the discounter operate seven acquired Almarts (which retained that name), then expanding the chain from its Miami base to Florida's west coast, and finally merging eight Ward stores in central Florida into Jefferson.

Jefferson was given its head this year; a new look that included a loop layout, fashion fixtures in apparel, and upscale displayers and focus walls were developed.

A number of stores acquired late last year were remodeled and unveiled under the Jefferson/Ward logo, including three ex-Murphy's Marts in Richmond, and then five vacant J. M. Fields in Philadelphia.

Wal-Mart Roars Toward $1.6 Billion Sales

BENTONVILLE, Ark.—One year after attaining the billion dollar mark in sales volume, Wal-Mart is roaring along toward its current sales goal of $1.6 billion despite the recession.

The fast-growing regional chain started the year with 276 stores, added 15 at midyear and plans to open another 35, for a year-end total of 326. Next year's plans call for 55 to 60 store openings.

Besides continuing expansion within its 11-state South Central market area, the chain is experimenting with new merchandising approaches, to some extent targeted to stores serving a more sophisticated suburban population than the chain's traditional small-town market. Two stores opened earlier this year in Pine Bluff, Ark., and Moore, Okla., on the outskirts of Oklahoma City, boast a race-track design and dramatically upgraded soft lines departments. "So far we're very pleased and we're learning," said soft lines vice president/gmm Richard Jolosky.

Although the upgraded soft lines tests are being conducted in stores close to large cities and the chain has been clustering stores in the vicinity of Fort Worth, Jolosky insisted that the chain had no "urban strategy." Most of the chain's units are located in small towns within a 400-mile radius of headquarters with populations between 5,000 and 25,000.

For the fiscal year ended Jan. 31, the chain reported net income of $41.2 million on sales of $1.2 billion, an increase of 40% and 30%, respectively. For the six months ended July 31, the chain maintained the pace, reporting earnings up 32% to $20.6 million on sales of $687.2 million, an increase of 30% over the previous six-month period.

The chain's strong performance has attracted favorable comment from Wall Street analysts who attribute the consistent growth to the chain's small-town strategy, efficient distribution network and an aggressive promotional posture. "We project a compound annual earnings growth rate of 20% during the next five years," said Robert Roth, an analyst with Merrill Lynch, "predicated on continued rapid store expansion and market share gains as well as highly effective operating controls." Roth also noted that same-store sales have been unusually strong, scoring in the double-digit column for 20 consecutive quarters.

Wal-Mart reports good sales in its apparel division, despite reports that apparel sales nationwide have declined in the last 18 months. Apparel now accounts for about 30% of total revenues but is expected to increase to 35% of the mix.

The upgraded apparel presentation at the recently opened prototype stores include the race-track layout, carpeted fashion areas and fashion fixtures. Merchandise, however, is said to be the same as that offered by the rest of the stores. The increased cost of the upgraded departments—mainly fixture, lighting and signing costs—is expected to be offset by faster moving inventory.

Gemco/Memco Sets Openings

BUENA PARK, Calif.—Gemco/Memco, the discount department store division of Lucky Stores, will grow to 83 units, totaling 9.2 million sq. ft., by year's end.

In 1981, the discounter will add 6-10 units.

Expansion plans for the second half call for Gemco openings in Ventura,, Calif.; Northridge, Calif.; Tucson, Ariz.; and for a Memco unit in Greensboro, N.C., a new market area. A Gemco opened earlier this month in Las Vegas, its second store there.

In the first half of the year, the retailer opened a Memco in Winston/Salem, N.C., and a Gemco in Sparks, Nev.

(Gemco/Memco's daily operations and expansion program will be spearheaded by Peter L. Harris, newly named president. Harris succeeds Morty Godlas who is continuing in his capacity as senior vice president in charge of general merchandise at Lucky Stores' corporate headquarters in Dublin, Calif.)

Memco stores are clustered around the Washington, D.C., area and Gemco units are concentrated in the West, especially in California with the chain's headquarters here.

For the last completed fiscal year, Gemco/Memco's average store sales in the West reached early $25 million, with chainwide sales totaling $1.52 billion. These units achieved sales of 220 per square foot of general merchandise, nonfood selling area.

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Now's the time to cash in on a proven recipe for big, big profits. Demand for gasgrills has never been greater. So get Arkla Towne & Country gasgrills into your store. They're made to move. And priced to sell. List price: From $59.95 to $239.95.

And it's good business to buy from the leader. That's right, Arkla is the world's largest manufacturer of gasgrills. We make a quality product at a reasonable price.

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More Ad $$ Go to Suburban Shoppers, Weeklies

Nationwide DSN Report

It's not happening everywhere, but as competition gets fiercer and ad costs keep climbing, discounters report that more of their ad budgets are being diverted to small suburban shoppers and weeklies and away from their traditional ad medium, city dailies.

The reason: The suburban papers—both shoppers and paid-circulation weeklies—take better aim at target customers for a fraction of the cost.

In the Denver market, for example, Woolco has begun shifting some of its ads from the daily *Rocky Mountain News* and *Denver Post* to a group of 17 weekly publications.

A company spokesman said the results have been "impressive" and that it appears weeklies—if used properly—can provide the same sales results as dailies at a much lower cost.

Ohio-based Rink's is currently doing about 2% of its advertising in weeklies, and company officials expect that percentage to continue growing.

Stronger Impact

The greatest value of the weeklies, according to a Rink's official, is that they are frequently better read and more widely circulated in rural areas than the dailies.

Although no precise statistics are available, the most advanced example of weeklies gaining strength in wooing discounters' advertising may be in St. Louis, where a collection of 34 suburban publications formed Suburban Papers of St. Louis to offer retailers a combined circulation greater than either of the two dailies.

One of the reasons for the weeklies' growing popularity, explained discounters, is their lower cost. A full-page ad in the *Rocky Mountain News* (circulation 300,000) runs about $1,000, according to a Woolco spokesman. The same ad in the Sentinel Papers—a collection of 17 dailies with a circulation of 210,000—is only $400. The Woolco spokesman said the price advantage of the weeklies becomes even more apparent when circulation figures are examined. Many of the *News'* papers are sold at newsstands far outside the Denver market; all of the weeklies are distributed at home.

Prices for tab inserts in weeklies vary, but discounters said the weeklies hold an advantage there as well. Insertion rates range from $20 to $50 per thousand, but in any market, average at least $10 below the dailies.

The greatest value with weeklies, however, has been their operational flexibility.

Many daily newspapers require advertisers to go ROP with standard advertisements. Those that don't require that ads run in entire regional editions.

Dailies are often equally as inflexible with tab inserts. Discounters said they can run any number they want, but have little control over where they are sent.

With a chain of weeklies, however, a discounter can limit his ad to only one newspaper, which may have a circulation as small as 1,500. Likewise, with tabular inserts, a discounter can decide who gets his circulars on a block-by-block basis.

In Denver, for example, Woolco originally put tabs in all 210,000 copies of the papers, but now finds it can be just as effective by limiting its circulation to 110,000 by strategically determining where each copy goes.

Different Emphasis

"We did couponing tests and found that the people in a Denver suburb weren't crossing a certain highway to get to one of our stores," explained a Woolco executive. "So we said to ourselves, let's just not advertise on that side of the highway any more."

Samuel Lee, Rink's advertising director, said weeklies have also proven valuable in promoting an item like carpeting, which only one store in a market may carry.

"If one store needs an extra push, we've found the weeklies helpful," he said.

Several chains surveyed said they were avoiding weekly publications because there was uncertainty as to how many of the publications are actually read. Many weeklies, discounters said, offer free subscriptions, which are generally not as extensively read as a paid publication.

In addition, paid publications are more frequently taken to work, and may be read by more than one person on the train or bus.

Spokesmen for Zayre and New Jersey-based Two Guys said their companies may be getting the best of both worlds by relying heavily on daily suburban-based publications.

A Zayre spokesman said in many cases suburban dailies are even more extensively read than weeklies or other dailies from nearby big cities.

To reach people in the Framingham area, for example, the 44,000-strong *South Middlesex News* is frequently a better medium than the Boston papers.

A Two Guys official said because there are few discounters in the urban areas it makes more sense to rely on suburban dailies. He said their coverage has given the chain "a phenomenal umbrella."

The Woolco official cautioned, however, that many discounters may be underrating the weeklies. Coupon tests performed by the company in the Denver area over a six-week period last November and December indicated that in many cases the drawing power of free weeklies was "surprisingly strong."

Barkers' Phillips Joins FedMart

SAN DIEGO—Jack Phillips, former vice president/general merchandise manager of New York-based Franklin Stores and Barkers, retail divisions of Cornwall Equities, is FedMart's new divisional merchandise manager—women's apparel. He replaces Ellen Geiss who left the same company.

Phillips is responsible for merchandising women's dresses, coats, sportswear, loungewear and intimate apparel.

Prior to his affiliation with Franklin, a specialty apparel chain, and Barkers, a discounter, Phillips was associated with Abraham & Straus in Brooklyn, N.Y., for 18 years. The last position held with A&S was divisional merchandise manager—ladies' wear, home furnishings and shoes for the budget stores.

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GENERAL OFFICES P. O. BOX 599 CINCINNATI, OHIO 45201

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Your awards also gave us a great sense of pride and encouragement—because typically, P&G brands are not the lowest priced available.

This doesn't mean we're not interested in being competitive.

But what we're most interested in is offering consumers the highest quality, best performing products possible, at the most reasonable price that's practical.

In a word—value. That's the basic ingredient in every one of our brands.

And when you can offer name brands like ours, Tide, Downy, Crisco, Pampers, and Crest—at attractive prices—we think everybody benefits. You. Us. And your customers.

Your industry is burgeoning. It's exciting. And we're certainly delighted you have determined that a number of our brands have a place in it.

Again, our sincere thanks for a coveted honor. It is and will continue to be our objective to provide brands and services which merit your business.

Sincerely,

Alex Keller

Alex H. Keller
Manager, Customer Services

Good Omen: Compromise Marking System Test Due

The OCR-A vs. UPC debate in recent years resembled the East and West of the old Kipling rhyme; it seemed retailers and vendors would never meet. But, one of next year's promising developments in operations will be trials of a compromise merchandise marking system.

The move is significant. Pretax profits have increased a full 2% at supermarkets which have introduced scanning equipment. A similar boost to the bottom line of any discounter (primarily from reduced labor costs) would give that chain an edge in competitive pricing of its merchandise.

Caught in a Squeeze

The controversy over which marking system to use has held up advances in tagging merchandise for some time. As an executive of Salt Lake City-based Grand Central put it: "The real need is standardization, be it OCR or UPC."

Discounters have been holding back their commitment to either marking system, for the most part. Only 11% of discounters, in a DSN survey conducted this year, currently use OCR-A, vs. 4% using UPC.

This does not mean there is no preference; 56% of chain executives polled by DSN said they were in favor of OCR-A and only 30% preferred UPC. Almost one-quarter of the respondents expected to be using OCR-A within a one-year time frame, and another quarter expected to be using it in the next two to three years.

Despite this preference, the fact remains that almost half of the merchandise flowing through checkouts in an average discount store is already marked with the familiar UPC black bars. Vendors using UPC have been reluctant to implement another system when UPC has proven so effective already in one retail segment (supermarkets).

Now that a compromise marking system has been worked out by a retailer-vendor-equipment-manufacturer group, some in-store experience should be available to the industry by the end of next year. This could be as important as the first tests of UPC after its development in 1970 by a joint retailer-vendor group. Field tests in a Kroger supermarket in Cincinnati found by 1972 that five automated checkouts could replace seven manual units.

OCR-A was developed by a voluntary group in league with the National Retail Merchants Association, and this same group has now issued guidelines for marking merchandise that will combine OCR-A and UPC elements.

The compromise system could erase many of the sticking points in the OCR-A vs. UPC debate. One of the main complaints by discounters has been that OCR-A type is readable to consumers, while the UPC bars are not.

Another complaint by discounters, however, has been the ease of in-store marking with OCR-A. Printers already owned are more easily adapted to OCR-A type than to UPC marking.

A Closer Look

The wait-and-see attitude at many chains may bear fruit by the end of 1981. Wal-Mart is taking the bull by the horns and running a test on UPC this fall and next spring, which will no doubt be watched closely by others in judging the cost-effectiveness of such a move.

One store is being used for the test this year, while a second Wal-Mart will be added to the test next year. A dozen central checkouts will use slot scanners and area checkouts in the stores will use wands. Soft goods will also be marked with a UPC ticket which can be passed across a slot scanner.

The ability to scan—by whatever marking system—represents a significant potential to cut operations costs. Not only can labor costs be cut at the front end of a store (as the early Kroger experiment showed), but labor in marking merchandise can be cut drastically. Accuracy of data capture is also increased.

Labor is by far the most significant expense incurred by discounters, and a cost which is hard to control as minimum-wage levels climb. Latest figures from the National Mass Retailing Institute show labor costs climbing from 11.9% of sales to 12.1% of sales as an industry average. Most chains are within the 11%-13% of sales range for labor costs.

Vendor marking of goods can reduce marking costs at chain level by 75%, some tests at department stores show, while supermarket scanning operations suggest that checkout labor can be cut more than 25%.

Accuracy in scanning also contributes to the profit potential. Estimates of wanding and slot-scanning accuracy by discounters range upward from 95% to 99%, compared to an accuracy in data capture of 70% to 87% when a cashier enters information manually at the checkout. Additional savings can be accrued because automatic entry prevents cashiers from giving "sweetheart" prices on goods to a friend or relative.

It makes sense for discounters to purchase POS equipment compatible with wands or slot scanners. Payback on equipment costs now hovers around two years, according to one manufacturer estimate. The development of a compromise marking system, as well as additional tests on OCR-A and UPC in discount stores will benefit the entire industry.

Discounters as a whole are still moving into POS equipment; 39% of the industry reported they were fully POS-equipped in a DSN poll, 42% were partially equipped, and 19% had no POS installations to date.

Different Procedures

There is great range in the industry at present. Chains such as Caldor, Target and Bradlees have all (or virtually all) stores equipped with POS terminals and are experimenting with advanced uses of their systems such as credit verification. Others (Zayre, FedMart, Two Guys, Barkers) have been beefing up their systems. Some (such as Murphy's Mart) are experimenting with small groups of stores before going chain-wide in a program.

K mart has a smaller percentage of its stores equipped than many chains, because of sheer size of the chain and the high cost of conversion. Per-store cost in the industry averages $107,000 for the move to POS equipment.

A day in the small world of Gerber begins with a call from your Gerber representative.

TUESDAY 10:15am

Your Gerber Representative is eager to tell you about the best quality child care products you can carry. Each one of the over 400 items is designed and manufactured with care, and backed by the name mothers have trusted for more than fifty years.

And your dollars are backed with a complete range of retail marketing programs, including advertising, merchandising, displays, special sales and promotional allowances.

Why not let your Gerber Representative help you plan a child care department that means extra profits for you and extra convenience for your customers? You can stock a large variety of items from a single invoice when the name on top is Gerber. And your customers will be glad you did.

Gerber Knitted Underwear.
We've woven 100% cotton into a full line of comfort-fitted underwear that's guaranteed not to shrink out of fit even when machine washed and dried. Be prepared to hear your customers praise our line. And in a $70 million retail market, praise means profit.

Gerber Sterilizers and Feeding Appliances.
Our full range of feeding dishes, sterilizers and bottle warmers represents high quality to your customers and high unit sales to you. The feeding appliance market is at $30 million retail and growing. And who knows more about feeding babies than Gerber?

Hankscraft Steam Vaporizers and Cool Vapor Humidifiers.
Hankscraft vaporizers and humidifiers have been long-time favorites with doctors and parents alike. Our rigid requirements for safety, convenience and durability have made Hankscraft by Gerber the number one selling line of portable vaporizers and humidifiers in a $60 million retail industry. And our generous allowances mean extra traffic-building promotional dollars for you.

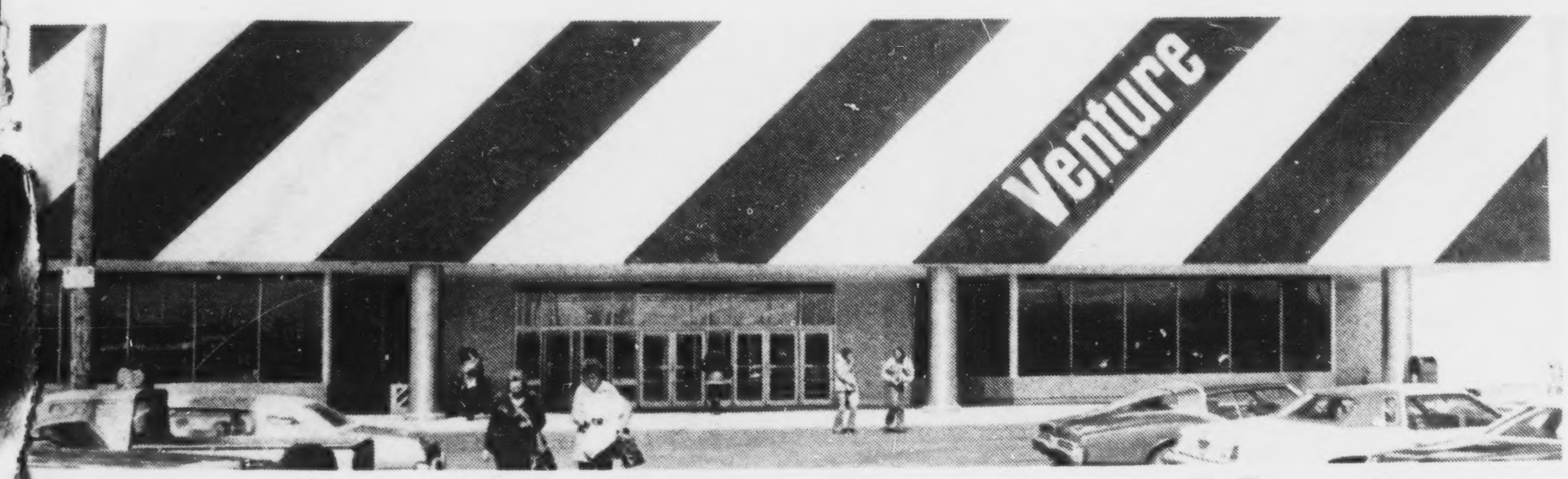
Gerber Nursers and Nurser Accessories.
Gerber has this more than $100 million retail category covered with a full range of high quality nurser systems and related accessories. Mothers are particularly enthusiastic about our disposable nurser system, which features a snap-off hood, a stand-up nipple, and ounce markings printed right on the disposable bottles.

Gerber Diaper and Carry-All Bags.
Even the busiest mothers want to travel in style. That's why they'll be spending $15 million on diaper and carry-all bags this year. And Gerber's wide selection of styles and prices is designed to see that you get your share of the sales.

Gerber Vinyl Pants and Bibs.
Last year, over $45 million retail were spent on vinyl pants and bibs by customers like yours. Gerber accounted for 50% of the pant sales and 20% of the bib sales. In short, no one sells more vinyl babywear than Gerber. This year, the vinyl pant 3-pack will go a long way to increase unit sales even further. So make sure you get your share.

The small world of Gerber is more than baby food.

Gerber®
*Babies are our business...
and have been for over 50 years.*
Gerber Products Company, Fremont, MI 49412



Turnaround Still Goal at Venture

ST. LOUIS—Despite some preliminary indications that things are improving at Venture—a chain plagued for nearly two years with serious out-of-stock problems—chain executives report that the nation's deepening recession has "muddied" the bottom line and that it may be early next year before anyone knows for sure if the 45-unit chain can be turned around.

At a time when discounters are faring better under the strains of the economy than mass merchandisers, Venture's sales gains continue to lag behind those of parent May Company's department stores.

Figures for the first half of 1980 show sales rose by only 3.4% for Venture, compared to the 4.8% rise for sales from May's department stores.

Venture's somewhat slow showing comes as chain officials are implementing a companywide planogram system, changing buying procedures and trimming personnel in an attempt to ease the out-of-stock position.

The changes were among the major steps taken by Ira Quint, a Sears veteran hired as president in early 1979.

Quint and other officials at the chain have been unwilling to comment but store personnel throughout the chain have said the planogram implementation appears to be the most significant step he has taken to date.

The planogram has existed for several years, they said, but was generally used only for adjacencies and not for detailing shelf-by-shelf stocking patterns.

The glimmer of hope chain officials said they noticed in sales figures occurred in January and again in March when the store-for-store sales gain was 8.3%—compared to the 2.6% drop recorded in early 1979.

Things fell apart in April, however, when the money supply tightened and sales dipped. Venture recorded $38.3 million in sales during the month—a 2.8% drop from April 1979.

In May, sales righted themselves and the company recorded a 1.5% increase in both total volume and store-for-store sales over May 1979. The sales gain in June was a scant 0.7%.

"We think that we've got the problem under control," explained one May official, "but because of the economy we just can't say we've turned the corner in terms of figures yet."

Earnings in fiscal 1979 totaled $8 million—down 33.3% from $12 million in 1978.

Tenn., Pa. Umbrellas Are Widened by Hills

CANTON, Mass.—Hills moved to solidify its market position this year in two of the 11 states in which it operates.

The new Decatur, Ala., unit opened this July, is an extension of the chain's seven-unit entry into close-by Tennessee in 1979. Another new store is slated to open in Nashville, Tenn., in October, making it the fourth Hills in that city. Eleven Hills units are currently operating in Tennessee.

Stores in Irwin and Pittsburgh, Pa., opened this summer, will be joined in October by another Pennsylvania unit, this one in North Versailles.

Two more stores, one in Sharon, Pa., and a second new store in Pittsburgh, are on board for spring 1981 openings. These units will stretch gross square footage by an extra 640,000.

All new stores follow the 80,000-sq.-ft. prototype, of which generally 83% is selling space. By the end of 1980, the chain will have 84 stores, and approximately 6,340,000 sq. ft. of gross store footage.

During 1980, Hills "found" more than 1,000 sq. ft. of additional selling space in some older locations by converting excess backroom space to sales, and by making better use of corner sections where space was previously wasted.

An additional 20 to 25 older units are currently being remodeled with uniform signing and updated fixturing.

In the latest completed fiscal year, Hills accounted for 71% of parent SCOA Industries $880.2 million in revenues, and 76% of SCOA's $59.9 million pretax earnings. Operating earnings advanced 34% to $45.4 million, while sales increased 19% to an estimated $580 million.

A similar performance is expected for this current fiscal year. Hills officials projected a 17.2% sales gain to $680 million.

Rose's Follows Upgrade Trend In Soft Lines

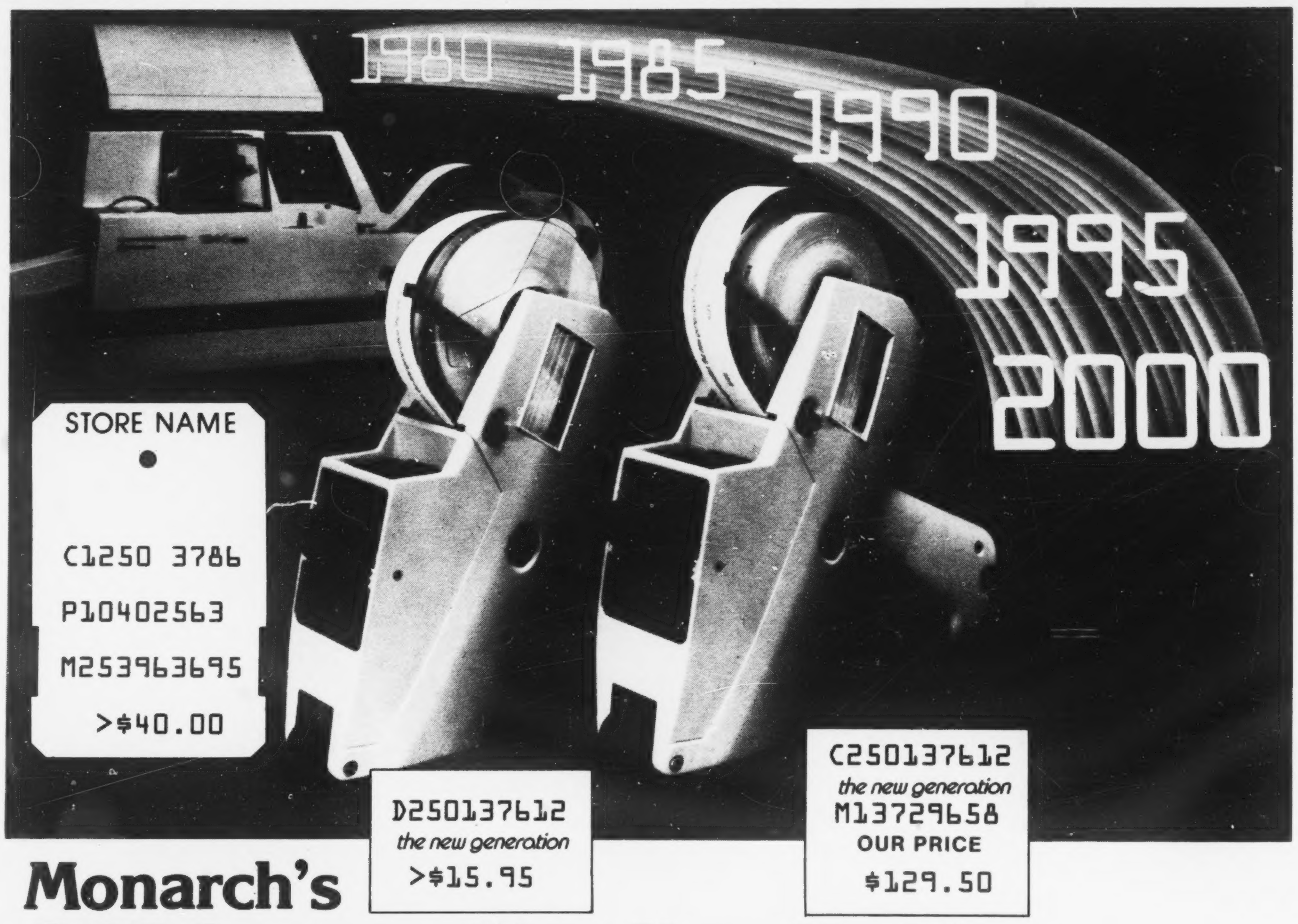
HENDERSON, N.C.—Rose's is vigorously pursuing its drive to dominate the rural market sector it has carved out in 13 Southeastern States.

Like other major discounters, Rose's is upgrading its soft lines and introducing upscale merchandising techniques. It is also seeking to cut costs by applying space age inventory control as well as finely tuned sales and payroll projections.

The chain, which rang up a healthy 18% earnings increase last year, maintained that rate with earnings of just under $800,000 for the 13 weeks ended May 1. Sales, which had dipped last year due to a continuing policy of closing the older and less profitable P. H. Rose variety stores, increased 6% in the same period this year to $107 million. For the current fiscal year sales of $527 million are projected.

The chain currently operates 227 full-line discount stores including about 65 of the smaller variety stores. A total of 235 stores will be on line by the end of this year. Most of the newer stores are takeovers, which have lower long-term rental costs in comparison with new buildings. At the same time, extensive renovations of existing stores are under way.

To supply the remodeling program, the chain operates a fixtures plant at its headquarters. It also manufactures a line of wooden lawn furniture which it sells through its stores.



Monarch's OCR Systems Meet Your Marking Needs Today...Anticipate the Future!

THE NEW GENERATION...

Today, Monarch OCR marking systems are providing retailers with the ultimate in productivity, print quality and reliability. They're the culmination of years of refinement, ready to provide you with an optimum return on your investment, ready to complement the overall effectiveness of your retail control system.

Monarch's years-ahead "Console" Model 1644 offers four lines of 10 characters each to satisfy virtually any data format. Built-in "people engineered" features and non-stage printing simplify operator procedures, end problems, enhance productivity and profits, eliminate costly tag waste.

And Monarch's bold "New Generation" of hand-held labelers offer more benefits, enhance productivity more than any other line of portable OCR systems, period! Two new models incorporate the best of everything we've learned from other models, perfected with advanced design technology. Only Monarch could do it...such a high level of productivity at a price so low you'll hardly believe it. They assure you of quality printing and reliability in a portable OCR labeler. Model 1270 offers two lines of 10 characters each, and Model 1280 three lines, 10 characters each...both are *covered by written warranty for two years* on parts and labor.

THE NEXT GENERATION...

You are aware of our committment to marking effectiveness for generations still to come. You can be assured that work is in progress right now on Monarch's next generation of OCR Systems!

TOMORROW'S SERVICE SUPPORT...HERE TODAY!

Importantly, Monarch keeps your system "up" with the industry's biggest, best service network, ensuring on-going support for your Monarch marking equipment.

For more information, write: Monarch Marking Systems, Inc.
P.O. Box 608, Dayton, Ohio 45401, or

CALL TOLL FREE:
800-543-6650
(In Ohio, call 800-762-6600)
Phone lines open 7 a.m. 'til Midnight, Eastern Time, Monday thru Friday.

Monarch Marking
A Pitney Bowes Company

See Us At The N.R.M.A./E.D.P. Conference October 19-23...Booth 23!

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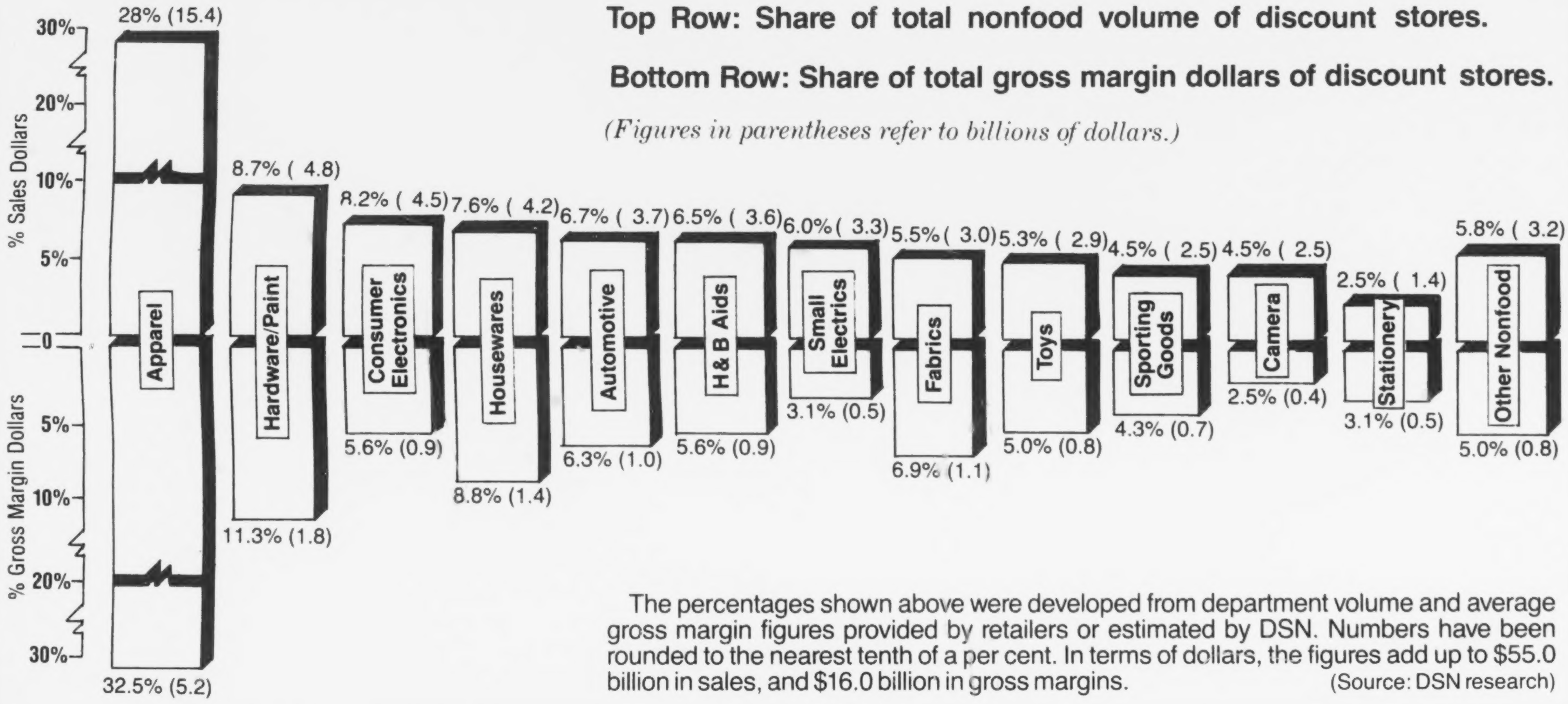
1980-81 DISCOUNT STORE CENSUS

PART 2:

MERCHANDISING PROFILES

How Key Categories Contribute to Store



Top Row: Share of total nonfood volume of discount stores.

Bottom Row: Share of total gross margin dollars of discount stores.

(Figures in parentheses refer to billions of dollars.)

The percentages shown above were developed from department volume and average gross margin figures provided by retailers or estimated by DSN. Numbers have been rounded to the nearest tenth of a per cent. In terms of dollars, the figures add up to $55.0 billion in sales, and $16.0 billion in gross margins. (Source: DSN research)

Productivity Is on the Rise

Improved operating efficiencies and trade-up merchandising continued to push discount store bottom lines upward.

In apparel, for example, improved turns and sales per square foot were boosted by the addition of fashion merchandise into the mix and the display of traditional goods on fashion fixtures.

However, it was in hard lines, most notably photo and camera, that discounters reaped the highest number of gross profit dollars—$82 a square foot—despite footballed margins.

Other top performers were automotive, generating $58 in gross profit on a square-foot basis, and personal care electrics, which produced $45 in gross profits per square foot. Jewelry maintained broad margins, and generated $79 a square foot toward discounters' gross profits.

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Ladies' Apparel Wins Sales Race

Category	Discount Volume in Billions	Sales Per Store in Millions	Dept. Size	Annual Sales/ Sq. Ft.	Annual Turns	Initial Markup	Gross Margin
Ladies' Apparel	$7.9	$1,024	9,990	$103	5.6	44%	36%
Men's & Boys'	5.3	682	7,560	90	3.7	41	35
Housewares	4.2	543	5,734	95	4.2	38	34
Automotive	3.7	491	2,280	215	4.5	33	27
Health & Beauty Aids	3.6	465	2,240	208	4.3	30	25
Hardware	3.6	461	3,215	143	2.9	42	37
Consumer Electronics	3.2	416	2,000	208	3.0	26	21
Toys	2.9	375	2,660	141	3.8	36	29
Sporting Goods	2.5	323	2,500	129	3.1	35	28
Photo & Camera	2.5	323	670	482	3.6	23	17
Domestics	2.0	259	3,120	83	3.6	40	36
Personal Care Electrics	2.0	256	900	284	4.2	22	16
Stationery	1.4	181	1,750	103	4.2	43	39
Small Electrics	1.3	171	900	190	3.9	24	16
Records & Tapes	1.3	169	1,050	161	4.4	25	18
Paint	1.2	160	1,270	126	2.7	42	37
Fabrics & Sewing	1.0	129	1,400	92	2.8	42	35
Jewelry	0.9	109	550	198	3.1	48	40
Glassware	0.4	50	600	83	4.2	42	37

(Source: DSN Research)

CONSUMER ELECTRONICS

13-in. Color Sets to Turn on Choosy Shoppers

BOXSCORE

Consumer Electronics

Discount Store Sales	$3.2 billion
Sales per Store	$415,504
Department Size	2,000 sq. ft.
Annual Sales per Sq. Ft.	$208
Annual Turns	3.0
Initial Markup	26%
Gross Margin	21%

The high cost of fuel put a crimp in people's vacation plans, but discounters find it is increasing the demand for portable televisions, shown here in Rose's, Millsboro, Del. (DSN photo)

Shoppers will be choosier than ever in 1981, but may be enticed with flashy displays and good promotions to spend more on consumer electronics than they did in 1980.

Buyers are predicting that next year's hot items will be 13-in. color televisions and the new lines of compact stereo systems that were recently introduced.

Also pinpointed as future strong sellers are radios—particularly those loaded with features (AM & FM and cassette operation) and offered at a promotional price.

The optimistic predictions countered more cautious talk from discounters who until earlier this year said they were fearful that the deteriorating economy could have a disastrous effect on them.

Ironically, the high price of fuel that is helping to speed along inflation is also keeping more people at home, and helping spark the sale of home entertainment devices.

K mart was recently promoting a 13-in. color portable television for $348 that had push-button tuning. At Jefferson the big item was a 10-in. portable that sold for $238. The chain was also promoting a 19-in. model that went for $299.

Black and white televisions are moving somewhat slower, however, and some discounters have been complaining that the market—already loaded with scores of low-priced promotional televisions—is saturated.

Most major chains have been promoting black and white (private label) models for under $90. Jefferson is promoting one for $68 and T.G. & Y. has a 12-in. model that's selling for $69.

In portable and clock radios, buyers for many major chains predict that brand names will continue to do well.

They said, however, that there will be an increasing tendency for shoppers to go for a lesser-known make if it has plenty of features and is being sold at a promotional price.

Community Family Centers, based in Chicago, reported earlier this year that its best-selling portable radio was an AM-FM that played both cassettes and 8-track tapes.

Most of those surveyed have said they expect the radios—particularly those in the mid-

(Continued on page 60)

SCOTCH® CASSETTES.

SOMETHING FOR EVERY RECORDING ARTIST THAT COMES INTO YOUR STORE.

TAPES

Scotch® Recording Tape: one of the best-selling brands of blank recording tape in the country today. It's hardly surprising. Customers like the true, pure sound they get from Scotch, whether they're recording voices on a portable or getting together some traveling music for a car stereo.

Here are four profit-oriented points.

Great selection. There's a Scotch Recording Tape to meet every customer's needs and musical tastes. Scotch Dynarange® is a great example. You can't sell a comparably priced tape that gives a user better sound. Then there's Scotch Highlander®. It gives users maximum sound quality at minimum cost. It's just great for portable tape recorders.

Different tape types. You can be sure of matching your customer's recording equipment, too. Scotch comes in cassettes, 8-track cartridges, and open reel. All tape comes in a variety of lengths.

National advertising. Scotch Recording Tape is backed up by powerful advertising again this year, including print and radio. The Scotch line will be in front of potential "recording artists" all year round.

Outstanding reputation. The most important point of all. Your customers know the Scotch name. They look for it when they're shopping for blank recording tape. They remember it when they buy on impulse.

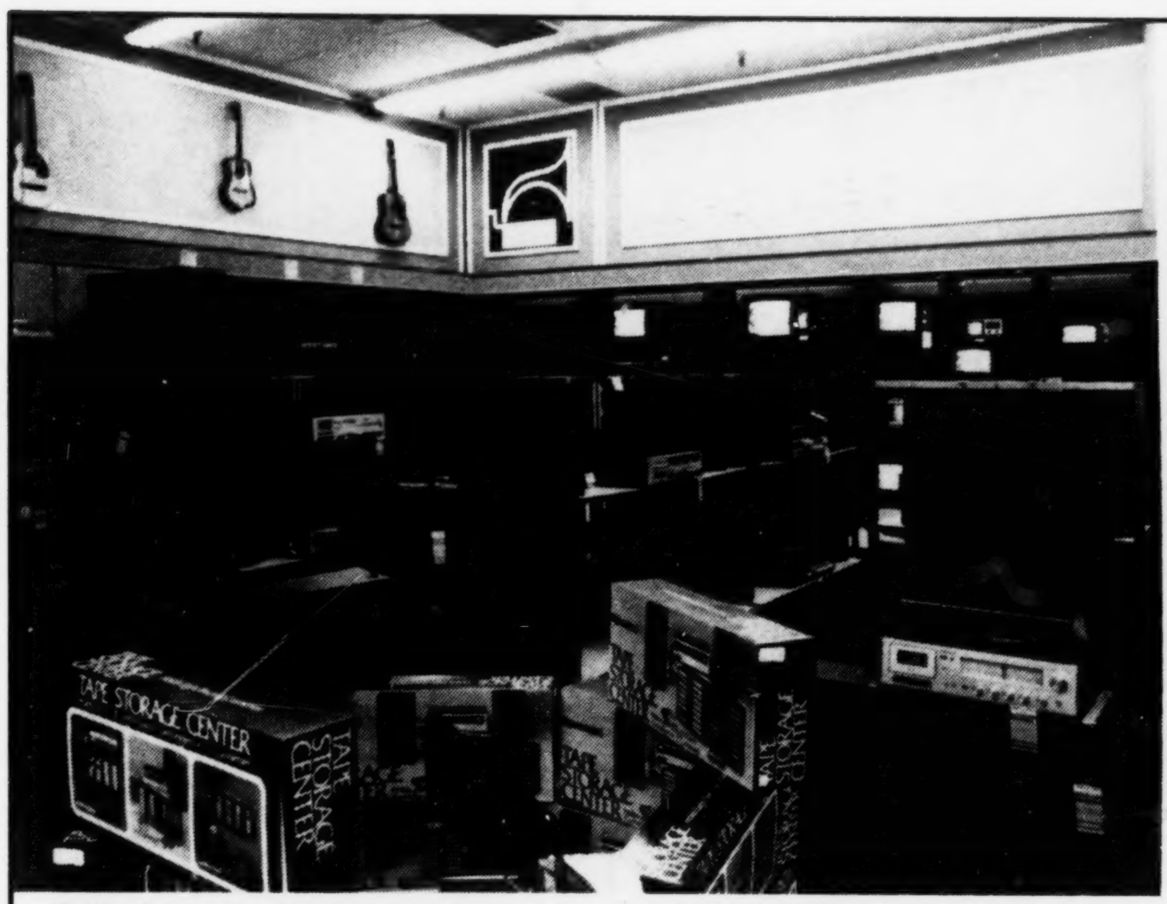
All in all, the Scotch Line offers true, pure sound for your customers, and true, pure profit for you. Contact your Scotch Recording Tape Representative for more information.

Scotch
DYNARANGE
90 cassette
NORMAL BIAS
3M

SCOTCH® RECORDING TAPE. THE TRUTH COMES OUT.

3M

Compact Stereo Systems Entice Customers



Televisions and stereos line the walls of this Jewelcor showroom in Plantation, Fla. Chances are the small portable color televisions—particularly the 13-in. models—will move the fastest. *(DSN photo)*

Tri-mode stereo systems, particularly those loaded with extras, are still good sellers. This display at Wal-Mart, Rogers, Ark., shows several such models. *(DSN photo)*

(Continued from page 58)

dle-price range—to remain strong sellers throughout next year.

Some chains, such as Connecticut-based Ames, said they expect the low-end clock radios to remain a strong part of their business in the coming year.

Ames is currently promoting two makes for $21.99 that offer AM-FM and a snooze alarm that wakes the owner with either a standard alarm or music.

Buyers for chains such as Heck's, Gold Circle and ALCO have noticed customers turning to lesser-known makes of component stereos that cost what brand names did one and two years back.

Despite the economy, though, discounters said consumers appear to be spending about as much as they ever have, and stereos in the $150 to $200 range are the best sellers.

Still, some discounters say a new line of compact stereo systems—equipment slightly smaller than the valise-sized record players of about 15 years back—may entice customers to move to a higher price range.

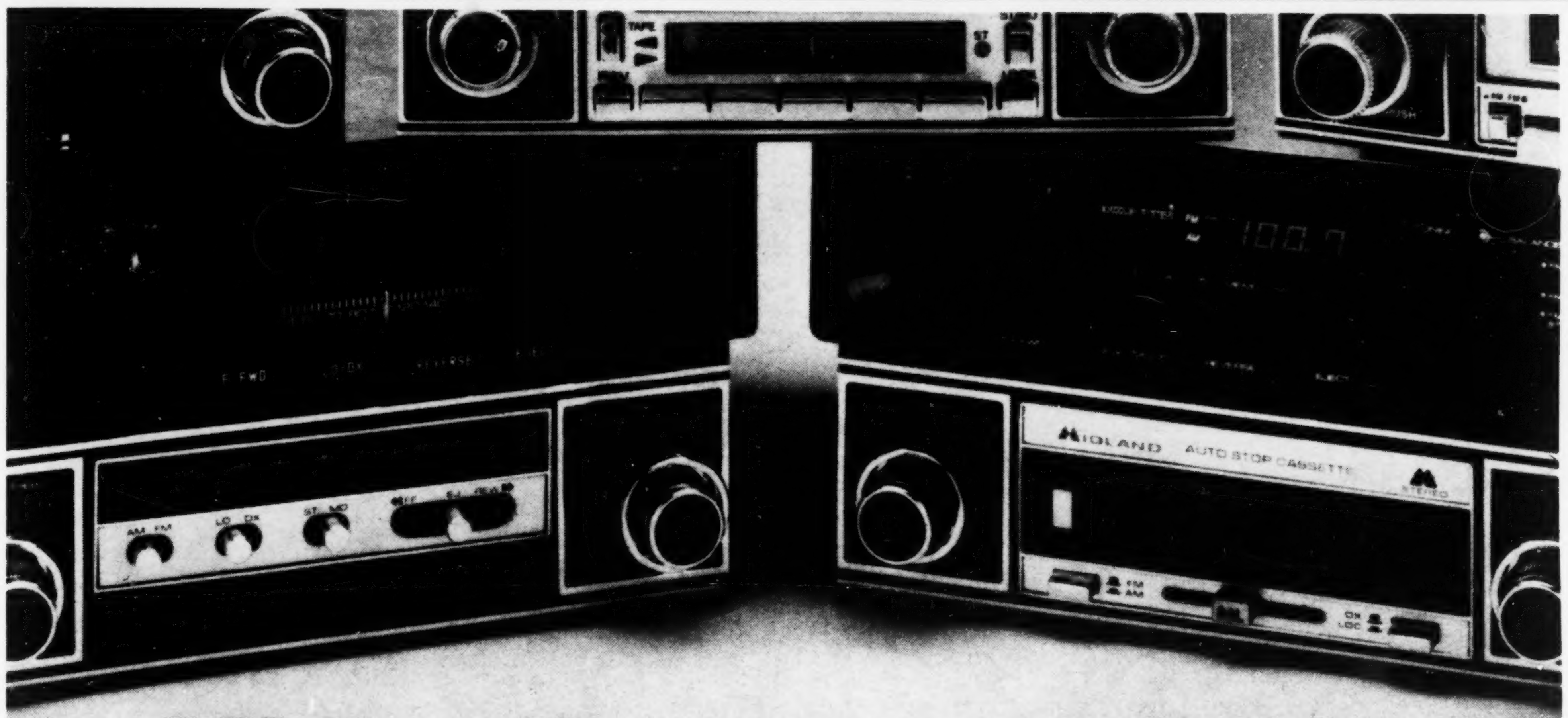
Most of the new compact stereos are expected to retail in the $199 to $299 range. They were among the few items at the 1980 Summer Consumer Electronics Show to generate interest.

Television games are also expected to show movement in the coming year and could be big money makers, discounters said.

The big action late last year and this year, though, has been in the hand-held electronic games being marketed by a wide variety of manufacturers and retailing in the $20 to $50 range.

Despite the possibility that television games will grow when the public tires of the hand-held games, those surveyed said they are playing it cautiously and intend to avoid the big overstocks that caused problems several years back with the first generation of television games.

Some buyers reported having been burnt then, when the first versions of pong-type games hit the market and were almost immediately replaced by more sophisticated ones that gave the player the opportunity to do more than just hit a ball of light around the screen.



Midland's new car stereo line covers 80% of all the price points.

The classy light heavyweight has done it again!

Completely new 15-model car stereo line is priced to retail from $39.95 to $299.95. And that covers 80% of all the price points in this market, with plenty of margin for profits.

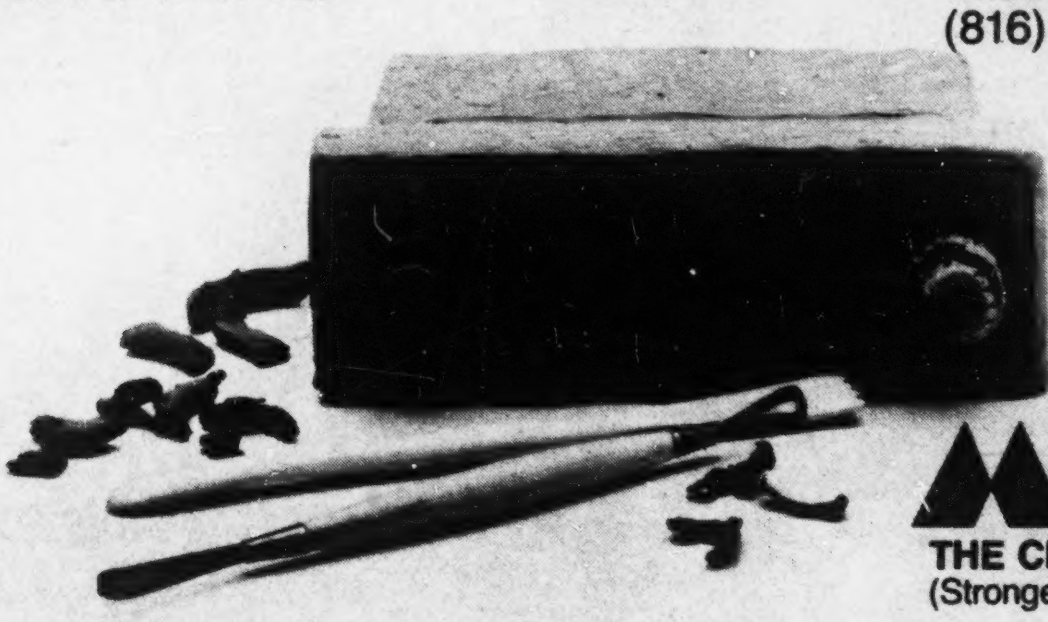
Margins abound, even at the low end of this new Midland line. Specifically, on four of the new units with suggested retail prices from $69.95 to $99.95. This is a price range which represents 34% of the current 8-track sales and 27% of cassette sales.

Now we're working on the other 20%.

And, even here, your suggested retail prices can realize 30 to 40 points!

Quality? You bet—what you would expect from Midland. We've got stepped-up features in every model and invite comparison, size for size, feature for feature.

All we ask is the chance to present ourselves and our classy new line! Don't buy any line until you take advantage of this opportunity! Contact Ed Herald, Sales Manager, Midland International Corporation, P.O. Box 1903, Kansas City, Missouri 64141. Or, phone (816) 241-8500.

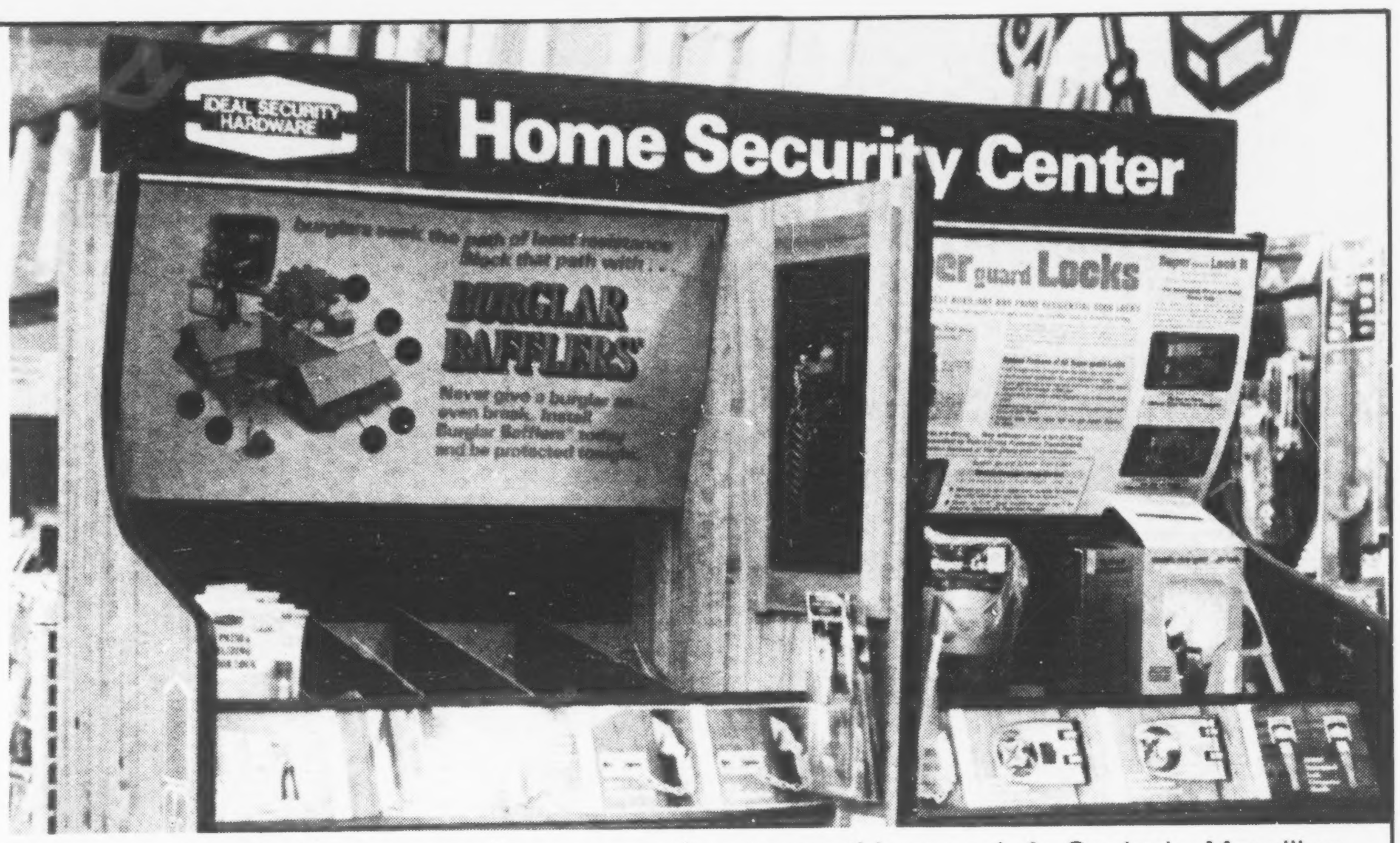


MIDLAND
THE CLASSY LIGHT HEAVYWEIGHT
(Stronger than the little guys ... livelier than the giants!)
A Member of the Beneficial Corporation Family.

Chains Open Separate Depts. as Sales Rise

SAVE
SHARP
6.88
Our Reg. 8.97
8-digit Calculator
A compact little 8-digit hand-held calculator with % key, memory and an L.C.D. readout.
NEW! wake 'n warn II
FIRE AND SMOKE DETECTOR
K mart Sale Price 10.88
Less Factory Rebate $3
Your Net Cost After Factory Rebate 7.88
Fire/Smoke Detector
Has an electronic horn and a 9-V carbon-zinc battery
Choice of colors

Smoke detectors, once hardware department best sellers, have now become staple items which discounters like K mart routinely promote—with manufacturer rebate support.



Discounters targeted home security as a growth category this year. J. A. Conley's, Massillon, Ohio, uses endcap display to promote basic home protection. *(DSN photo)*

While discounters reported sticking to the basics in home security—rather than stocking more expensive electronic systems—the category has gained enough consumer interest in past years to prompt many chains like Zodys, Murphy's Mart, ALCO and Mr. Wiggs to create a separate department for home safety products.

Security was one of the bright spots in hardware where across-the-board sales gains in the department were down 3% from last year.

Area of Reliance

Most dealers found strength by staying in basics—locksets in the $9 to $12 range and promotional padlocks—and avoiding the higher-priced electronics.

The impasse regarding the high-end intrusion alarms was price. Most discounters said they were holding back on their buying until prices dropped. This, they said, would happen when technology becomes cheaper and more manufacturers enter the market.

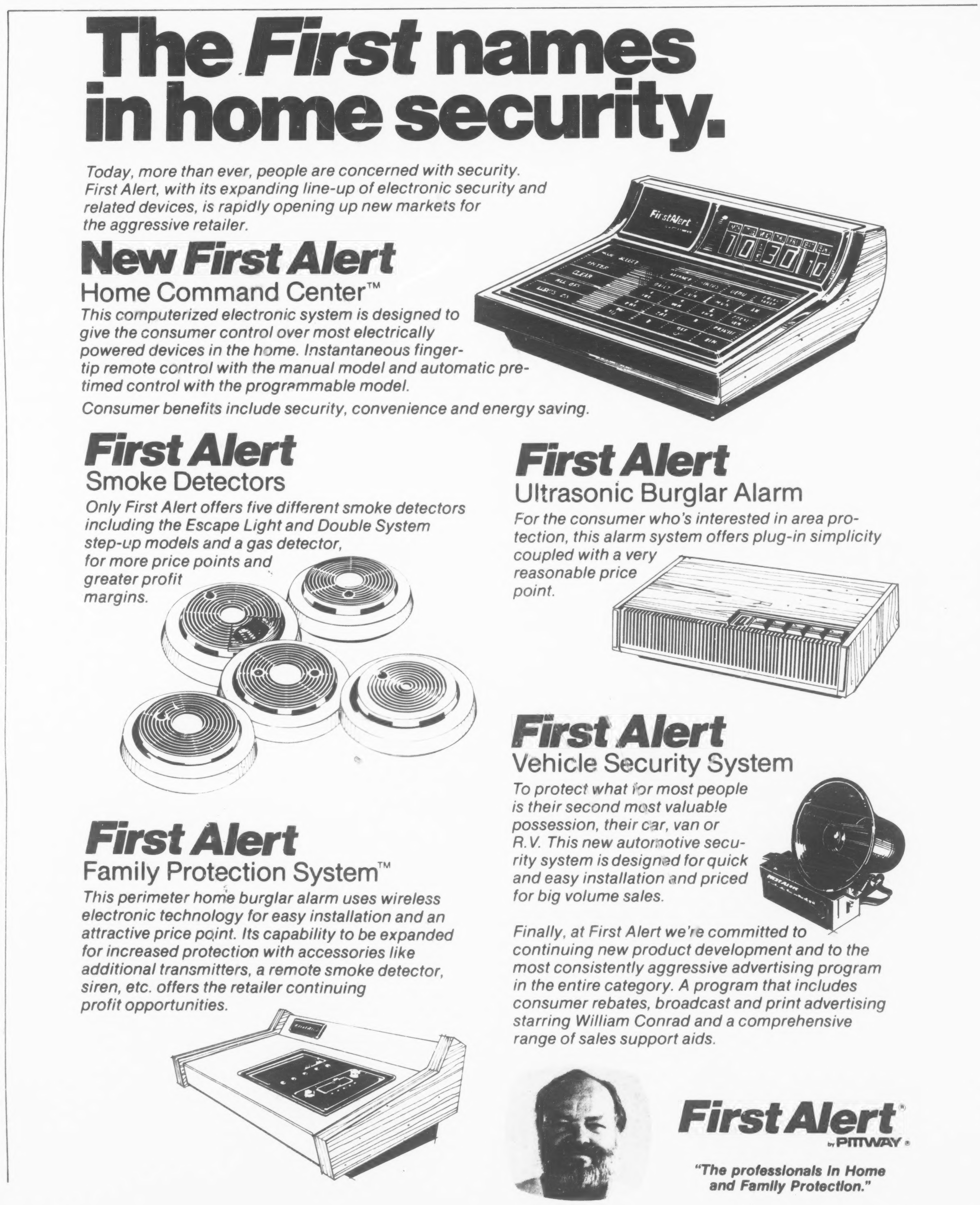
For now, only a small group of discounters—Target, Gold Triangle and Zodys among them—have ventured into the upper price ranges with complete home or apartment electronic protection systems.

There have been disappointments. At Gold Triangle, one merchandiser noted that the really expensive systems had been moved into the major appliance department where they could be sold by a trained salesman. "It's the type of item customers have to fiddle with before they'll buy," he noted.

Layout Changed

Smoke-alarm stocking patterns also conform to discounter tendencies to stay with the basics. Once a red-hot seller, the now inexpensively priced items no longer capture endcap space. Rather, they are stocked in limited and greatly narrowed numbers in department side aisles.

A bullish note: in California, new legislation—mandating that landlords install the home safety devices when they make more than $1,000 in home improvements in multiple dwellings—may stimulate sales in the state over the next few months.


The *First* names in home security.

Today, more than ever, people are concerned with security. First Alert, with its expanding line-up of electronic security and related devices, is rapidly opening up new markets for the aggressive retailer.

New *First Alert*
Home Command Center™
This computerized electronic system is designed to give the consumer control over most electrically powered devices in the home. Instantaneous fingertip remote control with the manual model and automatic pre-timed control with the programmable model.

Consumer benefits include security, convenience and energy saving.

First Alert
Smoke Detectors
Only First Alert offers five different smoke detectors including the Escape Light and Double System step-up models and a gas detector, for more price points and greater profit margins.

First Alert
Ultrasonic Burglar Alarm
For the consumer who's interested in area protection, this alarm system offers plug-in simplicity coupled with a very reasonable price point.

First Alert
Family Protection System™
This perimeter home burglar alarm uses wireless electronic technology for easy installation and an attractive price point. Its capability to be expanded for increased protection with accessories like additional transmitters, a remote smoke detector, siren, etc. offers the retailer continuing profit opportunities.

First Alert
Vehicle Security System
To protect what for most people is their second most valuable possession, their car, van or R.V. This new automotive security system is designed for quick and easy installation and priced for big volume sales.

Finally, at First Alert we're committed to continuing new product development and to the most consistently aggressive advertising program in the entire category. A program that includes consumer rebates, broadcast and print advertising starring William Conrad and a comprehensive range of sales support aids.

First Alert®
by PITTWAY®

"The professionals in Home and Family Protection."

Low-cost Vacation Trend Ups Accessory Biz

Sporting Goods

BOXSCORE

• Discount Store Sales	$2.5 billion
• Sales per Store	$323,164
• Department Size	2,500 sq. ft.
• Annual Sales per Sq. Ft.	$129
• Annual Turns	3.1
• Initial Markup	35%
• Gross Margin	28%

Zodys in Anaheim, Calif., tuned into the physical fitness craze with its gondola run of exercise equipment. Research showed the category dominated sporting goods sales this year. (DSN photo)

A trend toward money-saving vacations gave sporting goods a booster shot this year as consumers chose camping, hunting and fishing trips in lieu of more expensive forms of family entertainment.

However, the department did not escape current economic conditions. Sales of high-ticket items were sluggish, buyers reported, indicating consumers' decisions to postpone purchases of new sporting equipment this year. Instead they re-outfitted their existing equipment with accessory items—purchases that carried greater margins to discounters.

This trend is changing buyer ordering patterns. For next year, buyers revealed they were trimming departments of fringe and high-ticket items, and banking on accessories, apparel, and a handful of growth categories such as exercise equipment and roller skates.

The fishing category exemplifies what is happening throughout sporting goods. Sales of high-ticket rod and reel separates declined while sales of terminal gear and lures rose. Middle- and low-end combination sets were popular this year, appealing to both the new, occasional fisherman and the avid sportsman seeking inexpensive activities for family outings.

Slow demand for high-ticket rod and reels were offset by discounter's promotional efforts. Wisconsin-based Prange-Way noted that rod, reel and electronic item sales soared during promotions, then dropped dramatically as the ad finished.

Stem Distributors' Jim Sylvester reported that 35% of total fishing category sales came out of promotional activity, and 50% of combo sets were sold on promotion.

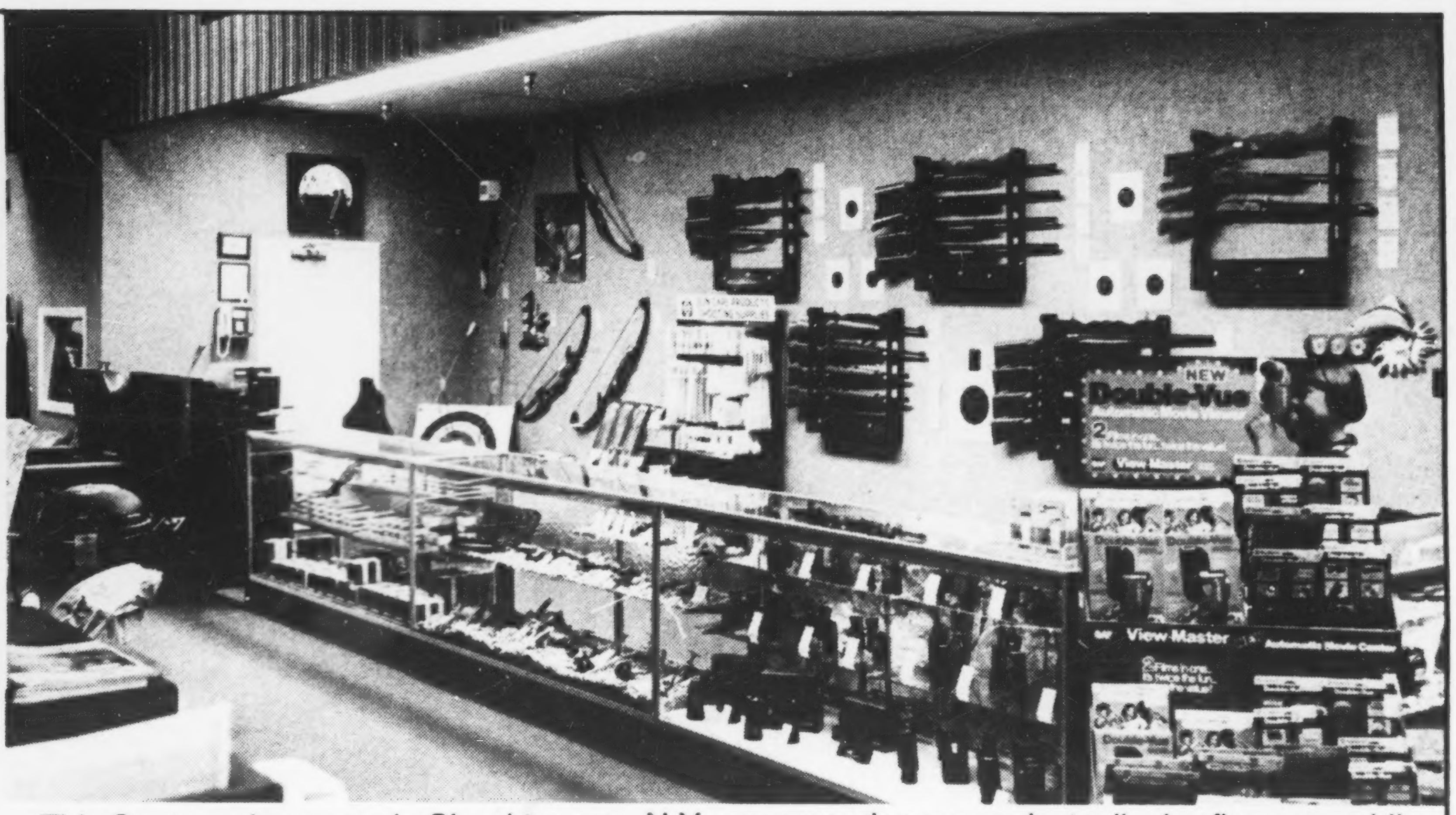
Keeping in tune with the need for promotional efforts in fishing, one Zayre store in Connecticut drew customers to its fishing section with a two bin display filled with terminal gear, all priced at $1. The display included two X-racks showing fishing rods in a verti-

(Continued on page 67)

WHO
IS
THE
PARTYMAKER

Buyers Cutting Back on High-Ticket Long Guns

High-profit tackle boxes were highlighted on an endcap as well as given shelf space at Hills, Buffalo, N.Y. Many discounters use these boxes as promotional items. *(DSN photo)*



This Century showroom in Cheektowaga, N.Y., uses wooden gun racks to display firearms, while showcasing high-margin accessory items such as scopes and binoculars. *(DSN photo)*

(Continued from page 62)

cal position. Zebco rods regularly priced at $7.99, on sale for $6, and Diawa 208 RL rod and reel combo, regularly $27.99 and on sale for $20, were featured. Similar shopping dynamics affected the firearm category.

As a result of last fall's declines in long gun volume—especially in shotguns—and in anticipation of continued credit restraints, buyers have chosen to cut back on these high-ticket items for the coming season. Lechmere, T.G. & Y. and Rose's are among the top chains that have decided to reduce their firearm selection.

Still, consumers did not cut back on their hunting activity. They may have put off buying new firearms but ammunition and hunting-related camping accessories flourished, buyers reported.

Buyers said the strengths in the camping category were in accessory items such as stoves, lanterns and hand warmers, and that these items were expected to remain strong for fall.

More adults joined the roller skating fad, making the sport a popular form of family recreation. Experts said that the roller skate category was the fastest-growing category within sporting goods. The 1980 National Sporting Goods Association (NSGA) report showed skate volume rose 300% in 1979.

Disco roller skating changed the image of this category, said Ron McDermiad, merchandise manager at Los Angeles-based Zodys, a division of Hartfield-Zodys, where selection was redesigned to please a "fashion sense rather than a price sense," he said.

Another booming category was exercise equipment, an area which went counter to consumer buying patterns this year. According to buyers, this is one area where shoppers still trade up, and middle- to high-end items are gaining the most favorable sales results.

"The higher tickets don't cost us units," said Butch Nicolson, merchandise manager for Fishers Big Wheel, who plans to add a higher-priced exercise bike, selling for $149.

The NSGA study also revealed a 122% sales increase in tension exercisers, and a 23% increase in stationary/exercise bicycles.

Our new fitness line has an exciting selling hook.

And a powerful upper-cut, and a quick jab and...

Yes, it's Sugar Ray Leonard, the newest member on the Franklin sales team. And he's going to add real punch to our new physical fitness equipment line.

Just look at that packaging — bold, eye-catching. With Sugar Ray's name on these products and his picture on the boxes we'll have customers dropping to the canvas. And you'll take advantage of the incredible opportunities today's fitness market offers.

To start with, all the products in this line feature the best in materials and craftsmanship. From design to cosmetics to finish, each item says quality.

As for innovations, the new Sugar Ray Leonard physical fitness line has all the landmark design features that you'd expect from an industry leader like Franklin. Take, for instance, our exclusive, new Tarkotex rip-stop nylon coated punching bag material. It's as tough as the guy whose name is on the bag.

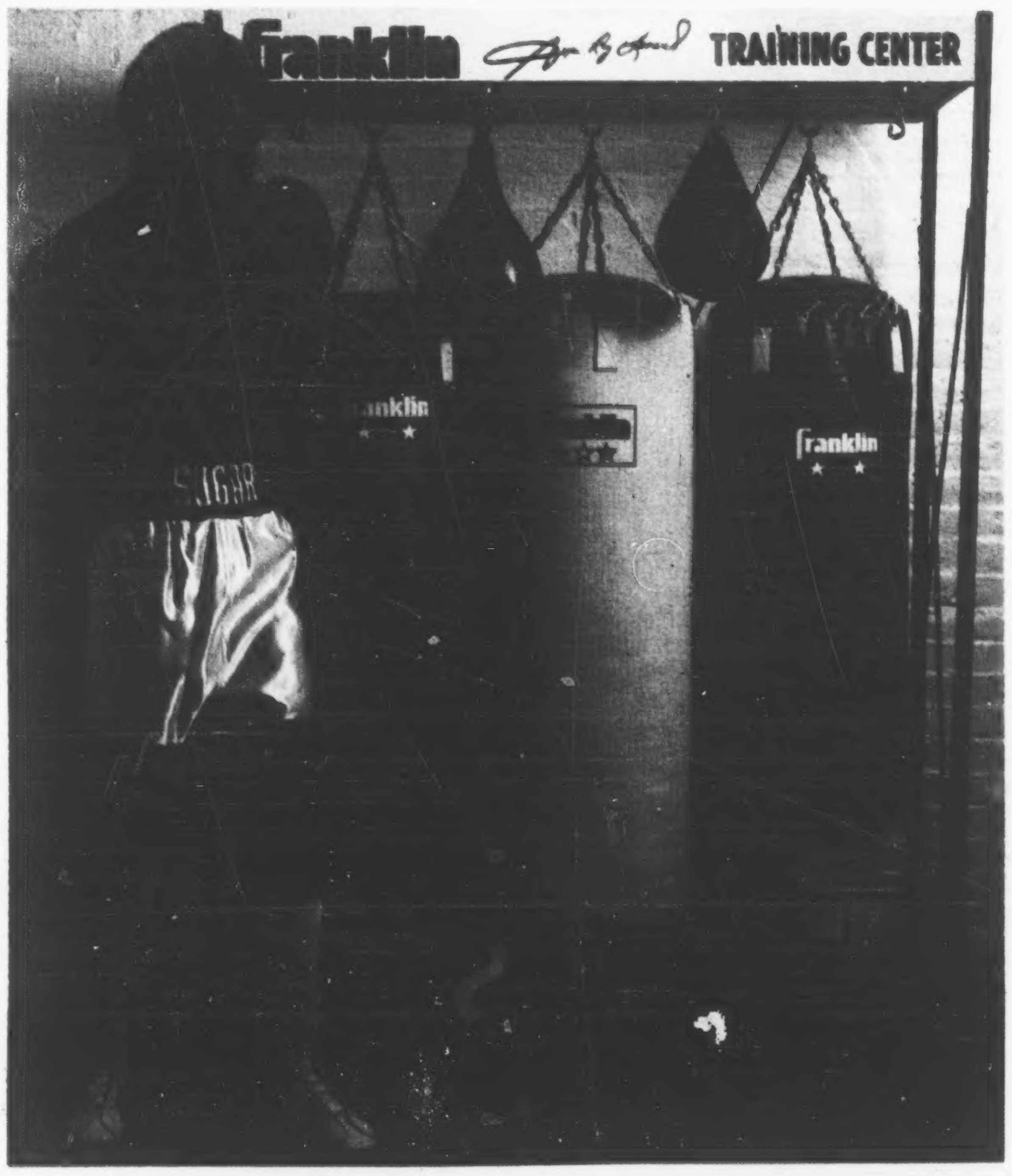
The Sugar Ray Leonard physical fitness line includes speed bags, training bags, boxing gloves, striking bag mitts, jump ropes, swivels and complete physical fitness sets.

And for a dramatic P.O.P. display, we offer the Sugar Ray Leonard Fitness Center, shown here. It's rugged, it's compact (only 4 linear feet) and it's easy to set up.

The new Sugar Ray Leonard fitness line. It packs a knockout punch.

Write today for our complete catalog: Franklin Sports Industries, Inc. Box 508, 17 Campanelli Parkway, Stoughton, Massachusetts 02072. Or call toll-free 800-225-8647. West Coast Distribution Center: 2280 Meyers Avenue, Escondido, California 92024. Or call (714) 743-7074.

Franklin



1980 Award Winner

Consumable Sales, Aided by Coupons, Skyrocket

Woolco, Austin, Tex., could almost be mistaken for a supermarket. Discounters say, however, that it is unlikely that they will ever carry a complete food line. *(DSN photo)*

Two Guys, here at its new Freeport, N.Y., store, is one of a growing number of discounters to use consumables to draw traffic and trigger impulse purchases. *(DSN photo)*

Discounters say consumable sales will continue to skyrocket as increasing numbers of shoppers—many armed with regular and double coupons—turn to them for added savings.

In the last two years alone some discounters have reported sales gains as high as 60% to 100%. Most of the major chains surveyed said the coming year could bring sales increases as high as 40%.

Most of the items being added to houseware and snack sections—detergents, cleansers, tuna fish and pickles—are not big moneymakers because of the low markups.

Those items do succeed, however, in increasing traffic in discount stores and result in significant increases in sales of related items.

Promising Area

A buyer for Ohio-based Goldman's, for example, reported sales of household chemicals increasing by 20% to 25% this year. But the real profit was in the 18% increase in the sale of mops and brooms—items with a higher markup.

Still, despite the traffic boost, most discounters surveyed said they had mixed feelings about accepting consumable coupons.

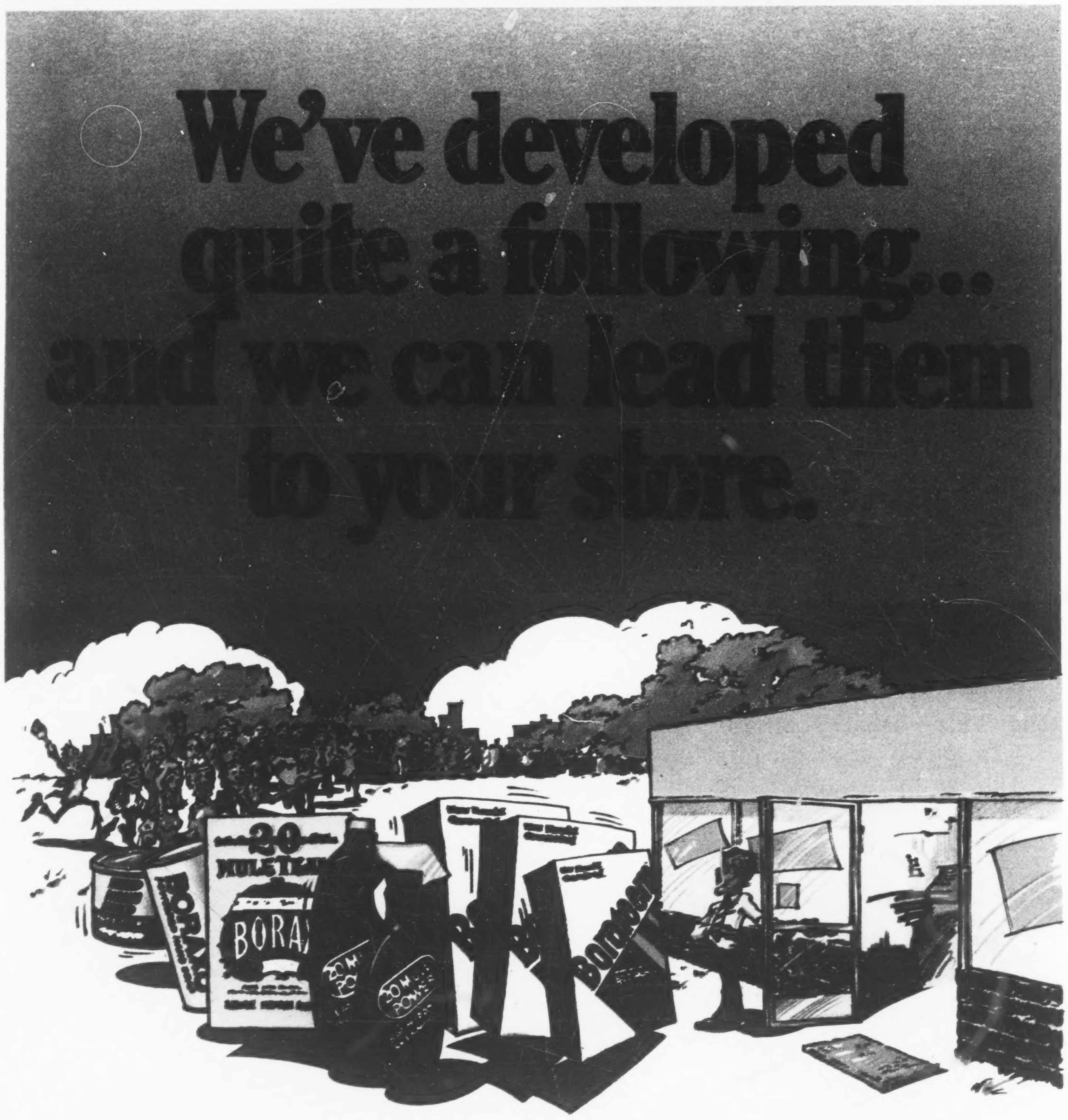
While couponing increases traffic at a time when the only new business a chain can acquire is that which can be "swiped" from a competitor, chains pay for them dearly out of profits.

The loss in profits can become even more substantial, discounters said, when a chain begins double couponing, forcing his competitors to do likewise.

More Promotion

Double couponing—and in some cases even triple couponing—can bring other problems as well. Discounters said such coupon specials are frequently accompanied by irate customers, large out-of-stocks and operational problems.

"Its a good idea in some senses," explained a spokesman for the Michigan-based Meijer's chain, "But in the end it can be a loosing proposition for retailers. Whoever starts double couponing is usually in trouble."


We've developed quite a following... and we can lead them to your store.
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Over the years, U.S. BORAX products have built a very impressive track record of attracting and holding loyal customers. By displaying and promoting these products, you can attract them too.

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Reid & Assoc.	Minneapolis, MN	(612) 475-2446	Carter-Rowland Pacific	Long Beach, CA	(213) 435-7729
Teitel Associates	Southfield, MI	(313) 569-7080	Simmons Sales	Dallas, TX	(214) 387-9303
Bonnie I. Smith Co.	Jacksonville Beach, FL	(904) 249-2311	Kenault, Inc.	Honolulu, HI	(808) 531-6531
North Central Sales	Euclid, OH	(216) 731-8751	E. J. Burdett Assoc.	Salt Lake City, UT	(801) 278-2017
J. J. Fink Associates	Chicago, IL	(312) 878-6300	Mittenthal & Assoc.	Bellevue, WA	(206) 455-0868

Buyers Turn to Basics, See Rough Road Ahead

Stationery

Discount Store Sales	$1.4 billion
Sales per Store	$180,972
Department Size	1,750 sq. ft.
Annual Sales per Sq. Ft.	$103
Annual Turns	4.2
Initial Markup	43%
Gross Margin	39%

BOXSCORE

grand opening sale
DESK ACCESSORIES

This Clover unit on Cottman Avenue, Philadelphia, drew customers to its stationery department with a desk accessories endcap display.
(DSN photo)

Escalating costs coupled with the tight economy have stationery buyers turning to basics and predicting tough times ahead. They've taken a number of steps to deal with sluggish sales.

Some buyers expected that economic conditions will discourage customers from high-priced merchandise. For this reason, Gene O'Donnell, merchandise manager at Hills, decided to build a better in-stock position of price basics and to cut back on his assortment of more fashion-oriented merchandise in preparation for fall back-to-school.

Supply shortages and an expected 8%-12% cost increase in paper products have many discounters planning to buy shorter counts or raise retail prices, or possibly do both, within this category.

Others reacted to their customers' increased price/value concerns by increasing sku's in multipack paper products. Adding higher-count typing paper, erasable bond, or steno notebooks with 2½ times as many pages were popular moves.

Soaring petrochemical costs have pushed pen prices up 22% although most buyers said sales are unaffected by these increases on low-ticket writing instruments.

Still, buyers noticed an upsurge in popularity of multipack pens, which they said customers viewed as a good value.

"We sell Bic medium-point crystal pens for 26¢ in a single pack," said Bob Braunstein, divisional merchandise manager at Bradlees. "That same pen is sold in a 10-pack for $1.69. That represents a 91¢ savings to the customer who buys the multipack."

Multipack items have also become popular promotional tools. "When we run a writing instrument other than the Paper Mate retractable, we run a multipack," said Braunstein. Multipack pens are given 4 ft. of pegboard, and are segregated from single pens to improve visibility.

Some buyers chose to offset cost hikes on the major brands by infiltrating stationery sections with private label brands. Gold Circle for instance has private label crayons and cellophane tape, and might ex-

(Continued on page 108)

RUST CRAFT
INVENTORY MANAGEMENT SPECIALIST

RUST CRAFT HAS PEOPLE POWER.
Because people manage inventory best.

Rust Craft is the only greeting card company that has its own special team of inventory management specialists and sales coordinators. It's the only way to go. You get maximum ROII because the Rust Craft team makes sure you get the right merchandise, at the right time and in the right quantity. They work in-store on a day-to-day basis, so they're in the best position to know your special opportunities and how to capitalize on them.

The people power of Rust Craft is profit power for you. Another important part of our innovative Turn-Key Profit Program. The Rust Craft Turn-Key Profit Program It's less work and more pay.

To learn how our Rust Craft inventory management team can turn bigger profits for you call or write Al Vickowski:
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ELECTRIC HOUSEWARES

Discount Store Census '80/'81

Discounters' '80 Volume Projected at $1.3 Billion

BOXSCORE

Electric Housewares

Discount Store Sales	*$1.3 billion*
Sales per Store	*$170,631*
Department Size	*900 sq. ft.*
Annual Sales per Sq. Ft.	*$190*
Annual Turns	*3.9*
Initial Markup	*24%*
Gross Margin	*16%*

Times Square Stores, Oceanside, N.Y., presents an upscale look for traffic appliances by using woodgrain units to mass-display featured items at the front of the department. *(DSN photo)*

Discount stores are one of the major retailers of electric housewares, and this fact has resulted in discounters more than holding their own in selling traffic appliances despite the vicissitudes of the economy.

Manufacturers have estimated that discounters account for about one-third of vendor sales to retailers. DSN projects discounters' electric housewares volume this year will hit $1.3 billion, up 8.3% from last year's $1.2 billion.

Discounters' electric housewares strength in the past has been merchandising of staple items with quick thrusts into and out of hot fad items—and it's the same basic approach that is seen as maintaining volume small-appliance sales throughout this year and the key holiday fourth quarter.

A Target merchandiser summed it up best when he declared: "It's a very basic year in traffic appliances and I think it will stay that way."

Two divergent factors are behind this.

One is the lack of any hot fad electric that discounters can sharply promote to boost traffic. Discounters across-the-board at the housewares show in Chicago cited the absence of any fad item or any small appliance that seemed like a candidate for a hot Christmas gift item.

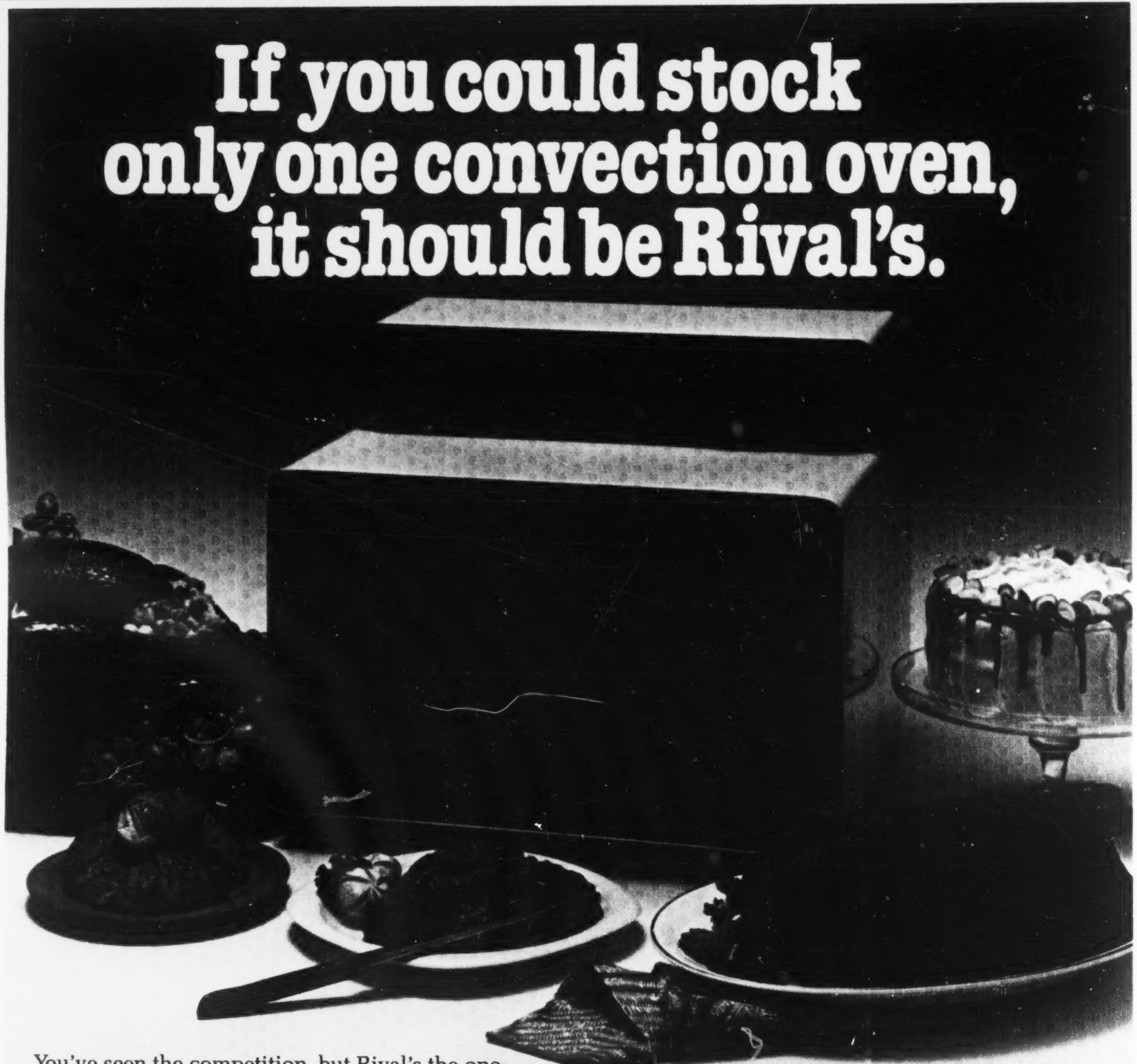
The second factor is the economy, which has caused shoppers to focus on low- and mid-priced goods, the core merchandise carried by discounters, rather than the high-end items that are selectively used as step-ups by a number of discounters.

A Matco merchandiser asserted: "Low-end basics are doing well, but basically the middle price range in most categories is the strongest. I think the strength will be in the middle prices during the rest of the year."

The reason for this, a Cook United executive noted, is that shoppers "are looking for value, not just price, and they are willing to buy a better quality basic electric that will last longer."

The limited appeal of higher-priced small appliances is reflected in the items discounters report are selling well, the price points being hit in promotions and the greater reliance on ads and manufacturer re-

(Continued on page 114)



You've seen the competition, but Rival's the one you've been waiting for. You see, we didn't invent convection cooking. We perfected it. So when you stock ours, you'll be selling the one:

The one that was built from scratch for perfect convection cooking. Rival's is not just a converted broiler with a fan. It's designed to produce a perfectly even air flow pattern for outstanding results on meat, bread, and delicate pastries. No hot or cold spots.

The one that holds high heat inside. It maintains the 500 degree heat needed for broiling, but doesn't heat up the kitchen nor the outside of the unit. Double-wall construction, extra thick insulation, and Rival's double glass door prevent heat loss.

The one that looks as great as it cooks. Ours is beautiful oyster white with smoked glass. It doesn't look like a broiler oven nor a microwave. It fits under standard kitchen cupboards; yet no other oven has more usable cooking space, even those that appear larger. Rival's holds a 14-pound turkey and allows the use of full-size cookie sheets and ordinary cookware.

The one that's easy to clean. Ours has continuous cleaning porcelain walls and top, with a pull-out drip-tray. All removable elements dishwasher-safe.

The one that doesn't have anything it doesn't need. Like an unnecessary rotisserie, for example. Because the air turns, the meat doesn't have to.

Rival's Convection Oven stands out in performance and looks. And it's priced right. Starting in February, we're backing it with powerful national magazine advertising through the year, and with TV during the Christmas selling season.

You've been waiting for it. Your customers will soon be looking for it. Stock and sell it. It's the one.

RIVAL® Convection Oven

RIVAL MANUFACTURING COMPANY, Kansas City, Missouri 64129. In Canada: Mississauga, Ontario L4V 1E3

Discount Store Census '80/'81

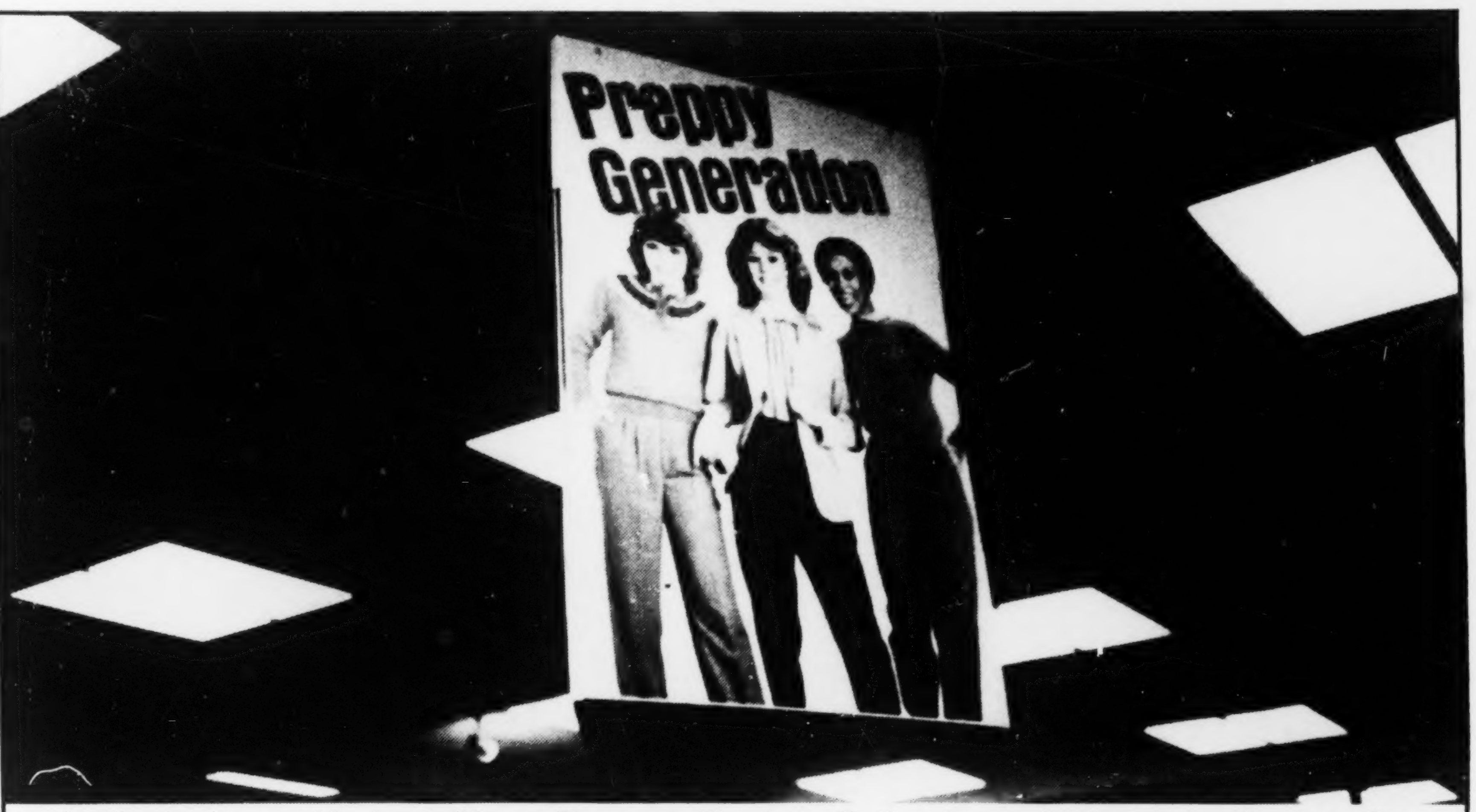
LADIES' APPAREL

Sales Gain as Chains Upgrade RTW Depts.

BOXSCORE

Ladies' Apparel

Discount Store Sales	$7.9 billion
Sales per Store	$1,023,614
Department Size	9,990 sq. ft.
Annual Sales per Sq. Ft.	$103
Annual Turns	5.6
Initial Markup	44%
Gross Margin	36%



Look what's up at Venture's Mount Prospect, Ill., store: Ceiling-hung photo signage draws traffic, defines the junior department, coordinates fashion items and lends trade-up decor. (*DSN photo*)

Apparel sales continued to gain in total chain volume as discounters upgraded women's ready-to-wear (rtw) departments, although, as recent efforts by chains like K mart and Wal-Mart show, trading up in the category is not limited to upscale discounters.

Intensified apparel merchandising is a strategy chains are using to position themselves in a new market marked by some developing trends.

Those trends are: Fashion items as the new "basic" merchandise; shifts in buying emphasis from traditional missy to junior, half-size, maternity and uniform categories where fashion has not been a factor; and heightened competition from off-price specialty apparel chains, and catalogers now expanding into wearables.

Discounters are reacting to these market factors by assimilating a fashion look and expanding categories within women's apparel without losing low- to middle-level price point customers.

K mart's prototype apparel department in Lodi, N.J., weights stylish merchandise (often accompanied with a higher ticket) and modernized presentation equally for a new fashion identity. In a move to compete with trade-up chains pursuing specialty store crossover business, the No. 1 discounter redesigned women's wear, adding a race-track type aisle, new rounds, waterfalls and deltas. Merchandise is arranged by color and style and coordinating items hang either facing out or atop round rack platforms.

The merchandise itself is upgraded in quality, look and price. Featured items include preppy ensembles and Loretta Lynn western wear. After the remodeling, a special buy of Calvin Klein jeans appeared along the race-track aisle.

The front-of-store department was merchandised so that maternity, half-size and lingerie areas—in addition to junior and missy categories—are all clearly defined.

(Continued on page 88)

Discount Store Census '80/'81

CHILDREN'S WEAR

Quality, Fashion Outclass Price for BTS

Quality and fashion outrank price points as fashionable children's and infants' wear moves to the head of the class for fall/back-to-school.

It's a trend that buyers are supporting after helping the fashion influences of adult and junior apparel filter through the category in recent seasons.

Growing popularity of brand names and minimal price resistance underscore the trend.

Fashion is turning into kid stuff, as a matter of fact, at Wal-Mart, where a buyer stocks a "total look"—sought after by upgrade-bent apparel buyers industrywide—in sizes 4 to 6X; at Magic Mart and Hills, where the preppy look is in; and at Gold Circle, where the western look is the story in denims.

The trappings of a total look—in preppy, western or other stylized themes—are becoming stock-in-trade for discounters, where the emphasis in children's/infants' has always been quality first.

Shoppers continue to be undaunted by price even as children's departments become more sophisticated and stock

(Continued on page 112)

CARNATION COMPANY

NOTICE TO THE TRADE

We offer promotional allowances, merchandising materials, line extension allowances and a central planning program which are practical and usable by all retailers regardless of size.

Payments are made for newspaper or handbill featuring, display and consumer directed promotion, and line extension allowances. Proof of performance (e.g., tear sheets) and proof of delivery (jobber's invoice) are required for payment of allowance.

If you would like to receive specific information on offers available to you, send your name, address and telephone number to Carnation Company, Attention: Sales Department, 5045 Wilshire Boulevard, Los Angeles, Calif. 90036.

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Camera Accessories Keep Depts. Clicking

BOXSCORE

Photography

• *Discount Store Sales*	*$2.5 billion*
• *Sales per Store*	*$323,164*
• *Department Size*	*670 sq. ft.*
• *Annual Sales per Sq. Ft.*	*$482*
• *Annual Turns*	*3.6*
• *Initial Markup*	*23%*
• *Gross Margin*	*17%*

Photo
Kodak

T.G. & Y. is one of a small group of discounters to make photo and camera a full department. As at its Oklahoma City store, the chain goes deep on both cameras and accessories. (DSN photo)

Film, flash and finishing sales kept camera departments going this year, as the economy forced picture-taking consumers to back away from buying cameras.

Accessories, too, were a boon to departments. According to buyers, lenses, flash attachments, tripods, photo albums, gadget bags, and other camera-related gear were the favorite choices of consumers who decided this was the year to accessorize rather than to trade up to better, more expensively priced cameras currently on discounter shelves.

Discounters were not entirely happy about this sales turn of events, however, as accessories carry some of the heaviest profit dollars in the department.

Photo finishing, which also brings in a lion's share of the profits for many discounters, did give discounters pause earlier in the year when skyrocketing silver and paper costs forced the major film suppliers and photo-finishing houses to raise their prices.

Suppliers passed the increases along almost immediately, thus forcing discounters to choose between absorbing the price hikes or passing them on to the consumer. With either choice, however, discounters' reaction was the same: Photo finishing services were too crucial to the department's success to even consider eliminating them.

"Without any inventory investment you can draw the customer into the store twice—once to drop the film off and once to pick it up," was how John Dankwardt, Prange-Way's camera buyer, reacted to the price hikes at the time.

Elsewhere in the department, instant and pocket cameras continued to account for the majority of discounter camera sales, although single lens reflex cameras (slr's) did continue to make gains.

Wal-Mart and Murphy's Mart became two chains which began catering to shutterbugs this year with the addition of slr's to their camera department mixes. Murphy's Mart put the higher priced cameras (up to $300) into 15 stores as a test.

In fact, $300 was about the top-of-the-line limit to the slr inventory that most discount-

(Continued on page 95)

SATISFIED

Satisfied is the way John Newcombe and Ben Crenshaw feel about their Canon photographic equipment. It gives them the quality images they're after with an ease of use that's as simple as focus and click. Yet with ali the versatility that Canon offers in terms of lenses and accessories for any kind of photographic application.

If your customers are looking for photographic equipment that they won't feel like trading in as their interests grow, get them to look into Canon. We're the leader. In design, performance *and* satisfaction!

SLR CAMERAS

Canon AE-1

Canon "A" Series single-lens reflex cameras offer electronic 35mm photography at its best. The Canon A-1 is the world's most advanced automatic camera, capable of handling any subject under any conditions, with professional results. Our most popular model, the AE-1, is a shutter-priority automatic that lets you pick a shutter speed, focus and shoot. The match-needle metering AT-1 is similar to the AE-1 in size and weight and offers easy match-needle metering for photographers who like their shooting traditional. The new AV-1 lets you pick the aperture you want, then takes over to select the perfect shutter speed for outstanding results in any light.

Canon AV-1

Whichever Canon model you choose, you'll be opening the door to a whole system of photography, with a host of lenses and accessories available for every picture-taking situation. Canon FD lenses range from fish-eye to super-telephoto, with over forty to choose from. Universally praised for their fine photographic and mechanical performance, they're the perfect match to any Canon interchangeable-lens single-lens reflex camera.

Canon FD Lenses

RANGEFINDER CAMERAS

Canon Sure Shot AF35M

The Canon Sure Shot AF 35M is here, and it is really special! It has auto focus, auto exposure, built-in auto electronic flash, built-in auto winding and even rewinding. It's the one 35mm camera that says "goodbye frustration" forever because it simply eliminates typical photographic mistakes for good. All at a price that's good news for sure!

Some cameras are born to be favorites the minute they come off the drawing board. That's the Canon G-III 17. Experienced photographers love it for its Canon lens and superior image quality. Amateurs love it because its automatic exposure makes great shots push-button simple. Indoors (with the optional Canolite D electronic flash) or out.

Canon G-III 17

For maximum economy and quality, there's no better buy in its class than the Canonet 28. It combines the simplicity of automatic exposure with the clarity of a superb Canon lens that's fast enough to be used indoors without flash, in many instances. For fully automatic flash with the Canonet 28, there's the optional Canolite D. Or select the Canon rangefinder 35mm camera that combines everything in one package, the A35F. Not only does it have a sharp Canon lens and automatic exposure, but just push a button and up pops a built-in, automatic electronic flash. You say "goodbye" to bulbs and calculations forever.

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Discount Store Census '80/'81

RECORDS & TAPES

Record/Tape Market to Pick Up After 1st Qtr.

BOXSCORE

Records & Tapes

- **Discount Store Sales .. $1.3 billion**
- **Sales per Store $168,805**
- **Department Size .... 1,050 sq. ft.**
- **Annual Sales per Sq. Ft. $161**
- **Annual Turns 4.4**
- **Initial Markup 25%**
- **Gross Margin 18%**

The disco records on the racks at this Gold Circle in Columbus, Ohio, will probably be replaced in the next year as consumers begin to favor country and popular music. (DSN photo)

The picture is expected to brighten for a somewhat depressed record and tape market sometime after the first quarter of 1981, as discounters return to the "basics" and increase their stocks.

Already several major discounters report success with the budget line, released earlier this year, and said it is slowly beginning to replace disco, which has begun to decline in popularity.

The budget line retails for $5.95—far less than the average $8.95 for standard tapes and records—and is increasingly released with current music performed by better-known groups.

Previously, discounters said, budget tapes and records contained older songs performed by lesser-known groups.

Also showing promise as a possible replacement for disco, said buyers for chains such as ALCO, Rose's, Copps and oth-

(Continued on page 120)

Discount Store Census '80/'81

FAMILY READING CENTERS

Sales Growth Hampered by Rising Prices

Floor space allocated to books is still growing in the discount industry, although sales growth has been hampered in some cases recently due to rising book prices.

Chains including K mart, FedMart, Hills, Prange-Way and Cook United have either just instituted or are now considering changes to beef up book departments.

Trade-up chains like Caldor, Bradlees and Venture continue to run successful hardcover programs for bestsellers, as does Two Guys, but as a buyer at Bradlees conceded, "Our primary concern is in paperback."

K mart will have "book corners" in more than 300 stores by year's end and the program is designed to spread to other stores. FedMart has begun promoting its books heavily and moving them to 21-title racks near registers to garner impulse sales. Caldor has been promoting its department by bringing in top-notch authors to autograph books, including John Cheever and Isaac Asimov.

The reason for both expansion of departments and promotion of the category can be summed up in one word: potential.

There is great profit potential—when margins in the department can be maintained at 35% and turns can reach six a year—but not without promotion. Already, some chains have noticed consumer resistance to the spiraling cost of many books.

Some, such as K mart and Heck's, reported no consumer resistance to higher price points on books and rather they say they are seeing increases in unit sales. Unit sales at FedMart had slipped, however, instigating that chain's promotion drive. Sales were also reportedly off at other chains such as Woolco, Jefferson and Gold Circle. Gold Circle has reduced the space allotted to books over the last few seasons.

To date, merchandising of books varies widely in the industry. Chains which don't allocate floor space to books often run register tip programs for impulse sales. A step up from this are chains that run small book sections. Cook United, for example, has a 24-ft. run of paperbacks and an 8-ft. section of magazines. Gold Circle allocates a 32-ft. run to its books. Prange-Way devotes up to 80 ft. in some stores.

Book price increases and an uncertain economy this year have been blamed by some buyers for a general slowdown in growth this year in the industry, though the lower-priced romance novels and westerns are responsible for volume increases of 13% at some chains.

Disposable Fact #16

DISPOSABLES JUMP. RAZOR BLADES SLUMP.

Drug Topics, surveying last year's drugstore sales,* reports that something quite odd has been happening to shaving products.

While the category itself showed no great change, razor blade sales fell some 5%, and standard razors positively plummeted, losing over 20%.

Where did the sales go?

To men's and women's disposables, which were up 50% and 45% respectively.

Which leads us once more to the inevitable question:

SHOULDN'T YOU REPLACE THE BLADES THAT AREN'T SELLING WITH THE SHAVER THAT IS.

BIC® shaver

*Source: Drug Topics, June 2, 1980.

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Energy Savers, DIY Aids to Keep Sales Steady

BOXSCORE

Hardware

• *Discount Store Sales*	*$3.6 billion*
• *Sales per Store*	*$460,827*
• *Department Size*	*3,215 sq. ft.*
• *Annual Sales per Sq. Ft.*	*$143*
• *Annual Turns*	*2.9*
• *Initial Markup*	*42%*
• *Gross Margin*	*37%*

Black & Decker
Spot vac
Spot vac
Spot vac

Supply problems are easing on Black & Decker power tools but discounters are still worried about supply shortages at Christmas. Woolco, Austin, Tex., was in stock early this summer. *(DSN photo)*

Hardware department sales grew by 16% over the last 12-month period—a three-percentage-point decline from the gain reported in DSN's 1979/80 census.

Sales on a per-store basis grew 8% to $460,827, only slightly ahead of inflation. Sales per square foot increased commensurately as the average hardware department grew by only five additional square feet during the period.

The report from discounters shopping the Hardware Show in Chicago last month was that sales were expected to remain flat in the second half of the year.

Still, the departmental forecast was not all doom and gloom. There have been several bright spots already this year—home security and lawn and garden—and energy conservation purchases were expected to keep sales afloat during the remainder of the year.

Consumers' interest in doing home repair projects themselves continued to prove a boon to department sales.

Jamesway, K mart, Woolco, T.G. & Y., and Rink's—to name just a few—all upped their commitment to serve DIY customers by expanding their product mix and increasing the number of building materials departments in their chains.

Plastic plumbing, for example, which finds its way into most discounter departments in the form of basic repair kits (toilet and sink) garnered more consumer interest in home improvement oriented chains.

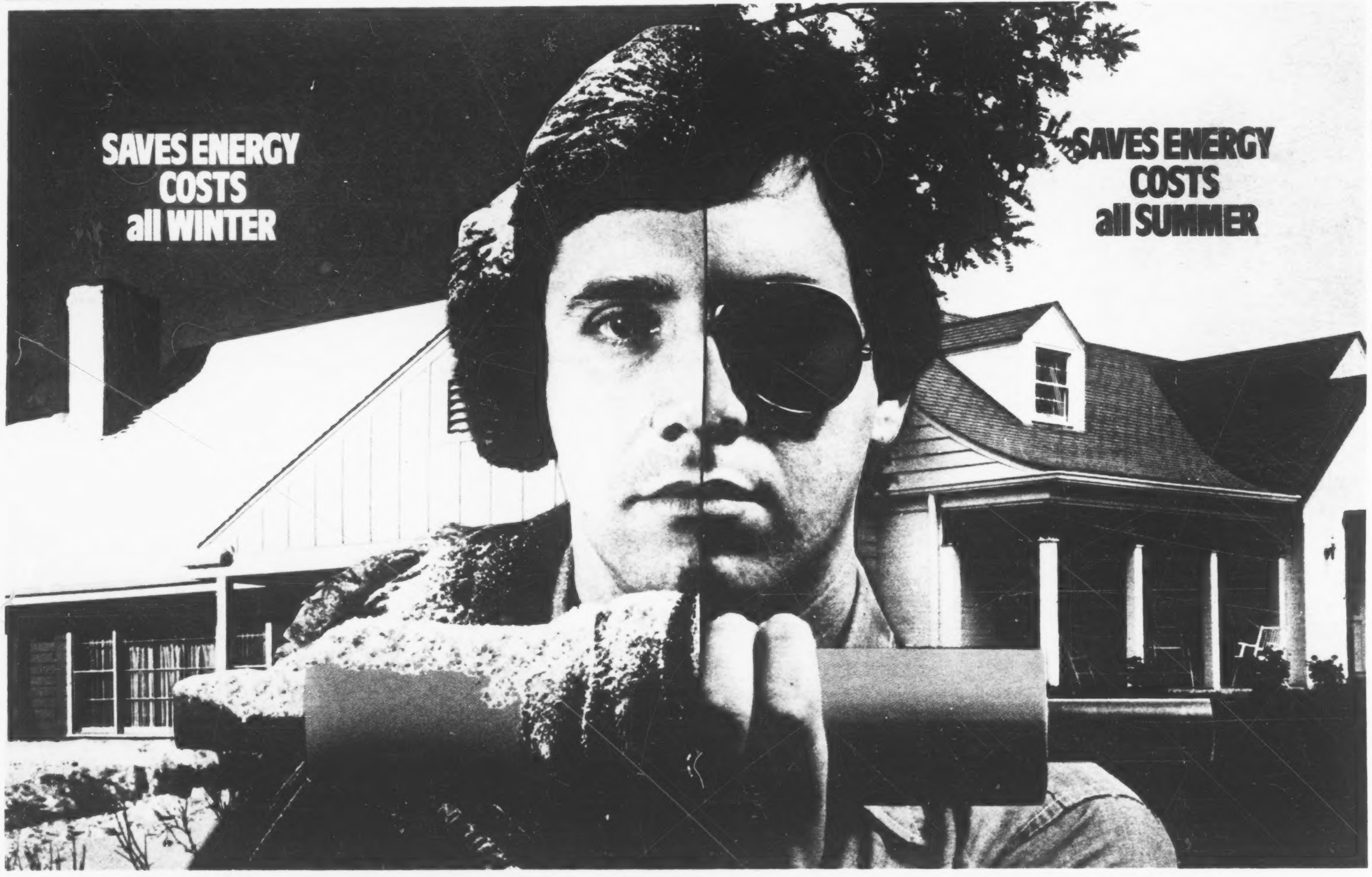
At S. E. Nichols, sales of CPVC and PVC pipe and fittings rose on a par with conventional copper plumbing, producing a 25% overall sales advance last year.

Zayre and Pamida introduced plastic parts into their plumbing departments this year and Woolco reported that plastic supplies now account for up to 65% of its mix.

In electricals, most discounters reported deriving considerable profitability from extension cords but added that the bulk of sales came in spring and summer months when customers shopped for cables to aid them in outdoor maintenance and repair projects.

Bulbs, including fluorescents, switchplates, fuses, TV

(Continued on page 101)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Hair Items Touted for Yule Despite the Economy

Personal Care Electrics

BOXSCORE

• Discount Store Sales	$2.0 billion
• Sales per Store	$255,946
• Department Size	900 sq. ft.
• Annual Sales per Sq. Ft.	$284
• Annual Turns	4.2
• Initial Markup	22%
• Gross Margin	16%

Woolco, Rising Sun Plaza, Philadelphia, cross-merchandises hair care appliances with makeup mirrors. Reverse side of cube fixture has other personal care appliances. *(DSN photo)*

Discount stores have again targeted personal care appliances—especially hair-care products—as a key gift-giving category and expect a strong upsurge in sales starting in October as consumers search out moderate-priced but practical items as Christmas presents.

The traditional pick-up in personal care appliance movement will occur, discounters asserted, despite the vicissitudes of the economy, because of the inexpensive cost of this merchandise and the availability of new products.

The one item that has resulted in the major merchandising change in personal care electrics has been the curling brush, which has become the dominant item in the hair curling area.

Curling brushes took off immediately, a Target merchandiser reported, indicating that consumers were ready for a new product in the hair-care area.

An ALCO merchandiser said that "curling brushes are very strong. We have had such good sales increases that we are up to five sku's, compared with two a year ago."

"To make room for the curling brushes, we dropped two curling wands," he added, describing the impact brushes are having on wands.

Styler/dryers account for the other major portion of the hair-care appliance market. In this area, pistol dryers are the key item, a Jamesway executive said, because consumers "want something substantial in their hand when they dry and style their hair."

The hair-care appliances mix of styler/dryers and curling wands amounts to 50% to 60% of the personal care appliance business for discounters. The remaining share is composed of hardhat and bonnet dryers and regular steam curlers and specialty products such as foot massagers and face and body care appliances.

Sales of hardhat dryers have increased and steam curlers have continued as a staple busi-

(Continued on page 119)

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Ladies' Apparel Enjoys Upgrade

(Continued from page 80)

Another traditional discounter, Wal-Mart, upgraded presentation but stopped short of trading up on merchandise in its new prototype stores. Improvements echo those of K mart and other chains seeking a department store-like image for their budget-minded shoppers.

Front quadrant location, race-track layout, carpeting, upscale features, hanging signs and department store decor are hallmarks of the Arkansas-based chain's prototype. The absence of an upgraded mix, however, evidences the contrast between Wal-Mart and its role model, Target.

Caldor is taking steps to increase soft goods profits to 40% of the chain's volume from the current 30%.

Since that decision was made, more fashionable merchandise, displayed in modern Plexiglas fixtures and on stylized mannequins, has appeared in women's rtw. By accessorizing and coordinating display items, the chain hopes to build both multiple sales and a higher-fashion image. For instance, a mannequin on a Plexiglas platform displays fashionable coordinates, available on surrounding deltas, and shoes, hat and handbag available in nearby departments.

Zayre's recent remodeling elaborates on the "Take Another Look at Zayre" promotion to attract new customers and spotlight soft lines at the traditional discounter. Here, too, merchandise presentation and a mix of up-to-date styles keynote the program.

Other chains seeking to boost women's wear profits through changes in presentation and by keying more on high-end fashion items are:

- S. E. Nichols, which is about to complete a program moving women's rtw departments up front from the middle of the store.
- Gold Circle, where the prototype was remodeled and the presentation for wearables upgraded.
- TSS, which has taken over its previously leased women's wear departments and added brand name merchandise.
- Maxway, the new discount offspring of Mack's Variety stores, emphasizing soft lines including the Levi's brand.
- Bradlees, where branded goods, though usually not special purchases, are emphasized.

Thanks in part to the designer jeans boom and consumers' heightened quality consciousness now that they have less spending clout, branded goods have become important to buyers. In fact, in women's rtw, as in domestics and other soft lines categories, buyers say that higher-ticket fashion items have become basics.

The new emphasis on fashion has opened doors to increased profits in women's wear categories besides the traditional "missy" departments.

Half-size categories, a burgeoning fashion area for upstairs stores, are getting more space and sometimes separate departments at discount stores. Junior departments, where many fashion trends including disco, western wear and activewear looks began, have been expanded to capture sales from younger and more liberal-spending shoppers.

Lingerie, often rack-jobber territory in the past, is getting attention on merchandise and presentation counts. Cottons and other high-quality content items are being artfully displayed on mannequins.

Quilting Revived to Counter Stagnant Sales

BOXSCORE

Fabrics/Sewing Shop

Discount Store Sales	$1.0 billion
Sales per Store	$129,266
Department Size	1,400 sq. ft.
Annual Sales per Sq. Ft.	$92
Annual Turns	2.8
Initial Markup	42%
Gross Margin	35%

DOUBLE KNIT
Machine Washable 97¢ YARD
DOUBLE KNIT 1.57
Sewing

Fabric buyers are expanding into quilteds after recent retreats to basic items. Higher margins of the craft fabric equal higher volume for stores like Oklahoma City T.G. & Y. (DSN photo)

Fabric department buyers are reviving the old-fashioned art of quilting to counter stale sales in the high investment category.

Discounters are using quilted fabrics to introduce the higher profit margins of soft craft goods into the slow-growing home-sewing category.

Buyer Henry Curran at Woolco described quilteds as "one of the few bright spots" in his fall buying program. From testing the category in selected stores last year, he has developed a year-round craft-quilt program as part of the 15% to 20% of his mix annually assigned to craft and home decor fabrics.

"We're hoping to develop the whole fabrics category by exciting sewers with quilteds, which I see as a breakthrough in sewing marketing," he said.

Quilted sales are split between craft and apparel uses at Woolco. Manufacturers' promotions, including pattern giveaways, have spurred sales for novelty/gift and do-it-yourself items like duffel bags, purses and placemats.

Placemat quilteds, with six cut-and-sew outlines to the yard, have been especially popular because of the comparatively wide assortment of fabric patterns and prints available to the sewer, Curran said. At six mats per yard, their $1.00 retail is slightly higher than that of ready-made counterparts, but this has not tempered sales, he added.

With a minimum of sewing expertise, a nonsewer can make a gift or home-decor item, and thus potentially become a regular fabrics customer. Home sewers also buy profitable craft supplies before leaving the department, Curran pointed out.

Already, fiberfill garment quilteds have performed well, in response to energy costs.

Overall, the category is still a cold-weather one.

T.G. & Y. fabric buyer Wes Phillips reported good dollar volume, but he was also leery about the category's relatively new burst of popularity.

"We've put tremendous emphasis on it from a resource standpoint," commiting to the category for a third season, he said.

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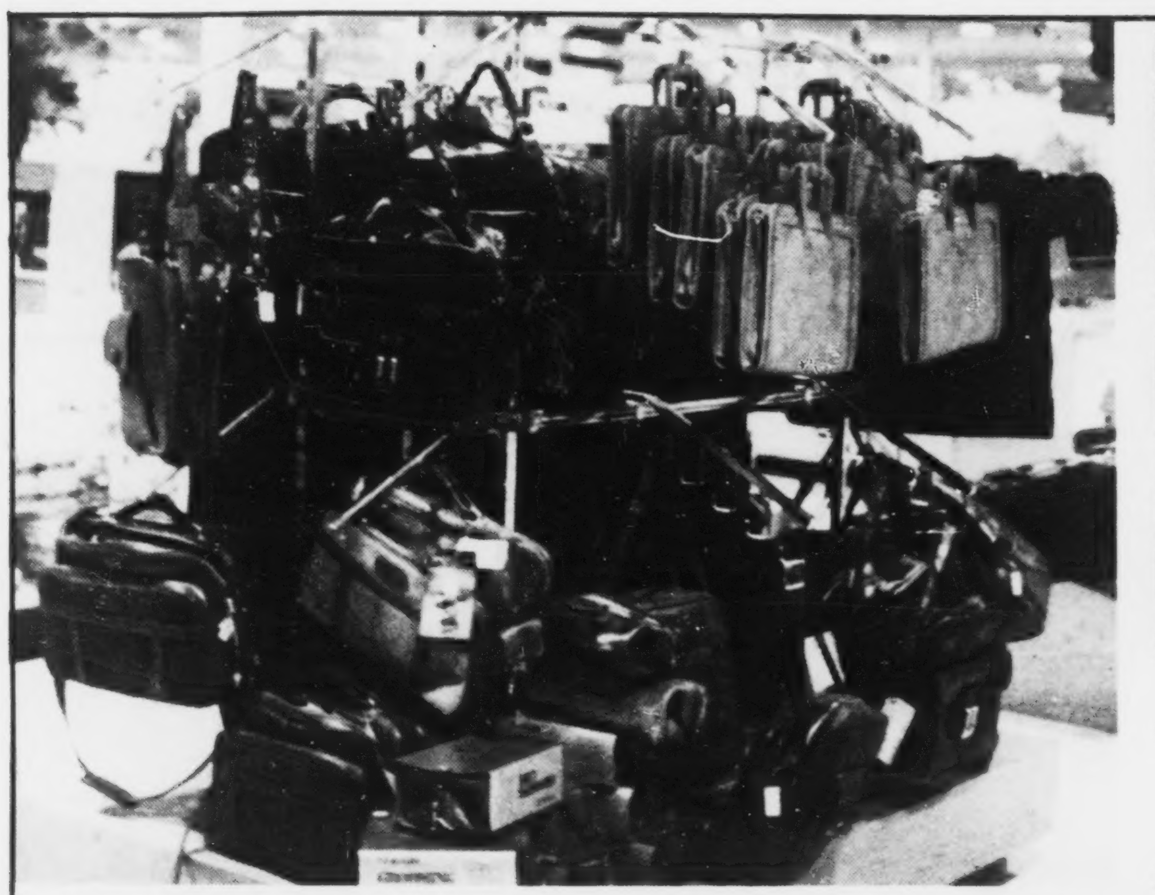
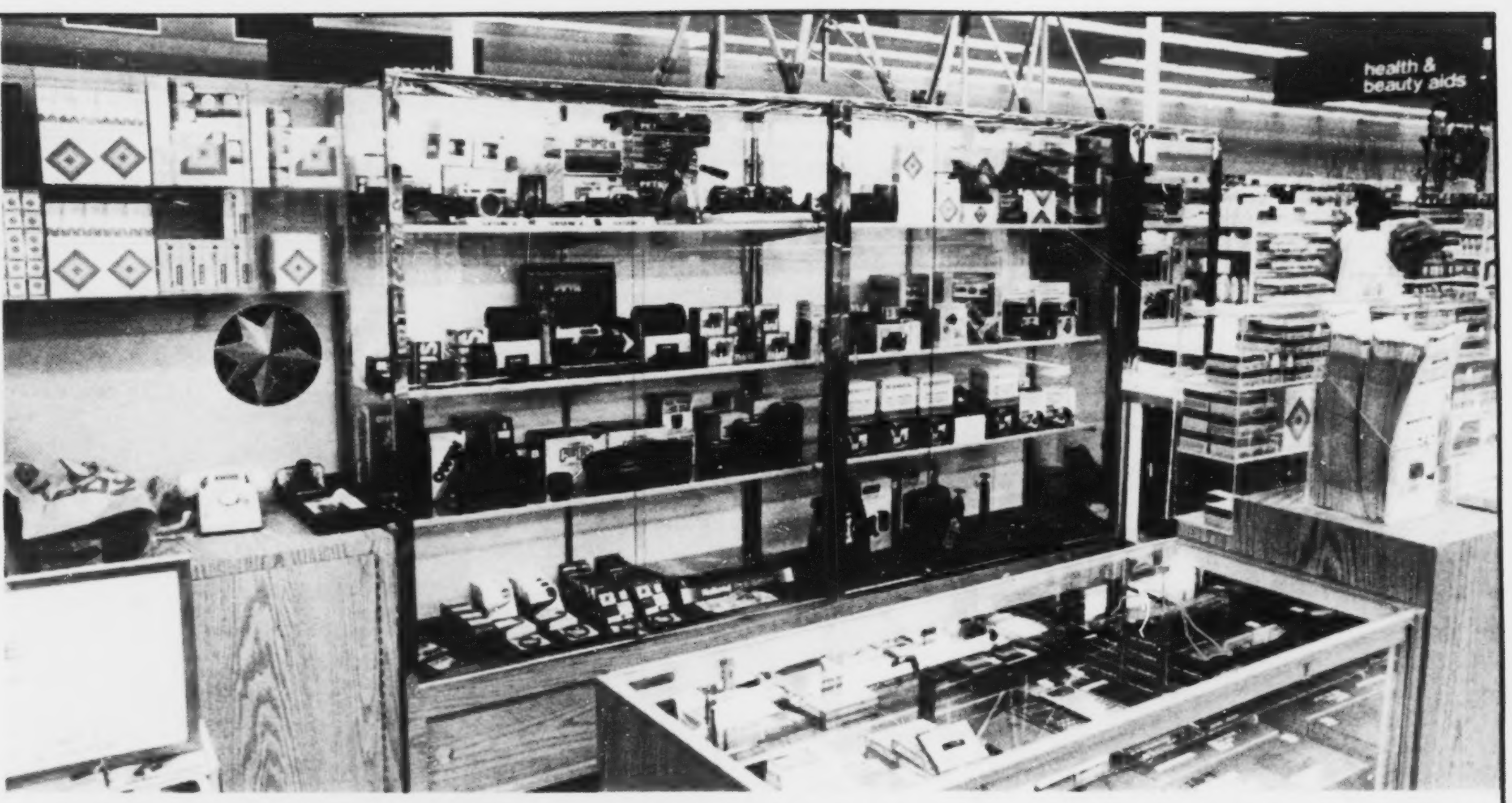
Camera Depts. Shy From Specialty Items



Gold Circle was one of the discount chains to find profitability in camera accessories. In one of its Columbus, Ohio, stores, above, gadget bags get feature treatment. *(DSN photo)*



With consumer electronic technology making consumers more comfortable with sophisticated gadgetry, discounters, like Zodys shown here, found it easy to trade consumers up to single lens reflex cameras. *(DSN photo)*

(Continued from page 83)

ers carry—beyond that price range most fear that their largely inexperienced staffs will be unable to make the sale. They also point to the extremely competitive nature of the category—and the considerable inroads catalogers have made into the market—as further reason for their stocking hesitancy.

Contents of the Mix

Darkroom items are also failing to appear on many discounter shelves. Despite reports that photography is becoming a hobby with more and more consumers, discounters say darkroom hardware and supplies appeal more to a specialty store customer than to their own everyday shoppers. Again, the decision not to stock is related to the inexperienced sales personnel—as with slr's, it takes a knowledgeable staff to make a technical equipment sale.

Looking ahead, buyers expect Christmas to work its usual magic on department sales as consumers buy gifts and increase picture taking (and photo finishing) for the year-end holidays.

It was still too soon to tell, however, if this past summer's round of new products—most notably a pocket camera with automatic on/off flash and another with fashionably colored casings—would make a noticeable impact on fall and holiday business.

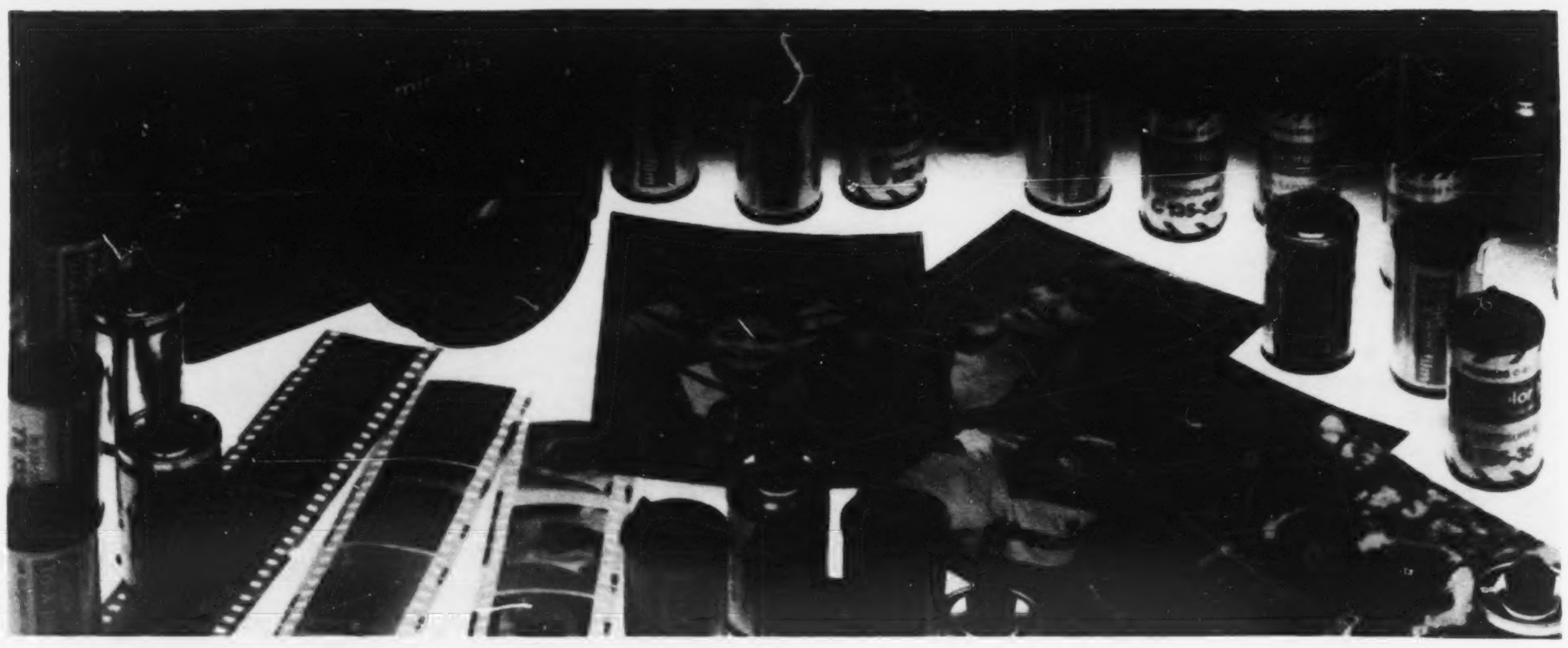
Sales Up

Industrywide, camera department sales were up 12% over last year to $2.5 billion—evidence that the decision by 91% of the country's discounters to own and operate their own departments was paying off. (A decade ago, in 1970, only 63% of all discounters were running their own camera departments.)

In the past year average store volume increased to $323,164, up 7% from the $302,780 discounters rang the year before. Sales per square foot rose from $452 to $482.

Annual turns (3.6), initial markup (23%), gross margin (17%) and average department size (670 sq. ft) remained constant over the past two years.

How To Succeed In 35mm Profits Without Really Trying



Public Spending On Photofinishing At All Outlets

	Amt. in Dollars	% of Total
Industry Total	$1,995,000,000	100%
110 Film Processing	638,400,000	32%
126 Film Processing	379,050,000	19%
Non-Miniature Film Processing	38,900,000	2%
35mm Film Processing	937,650,000	47%

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PAINT

Promotional Battle Cuts Into Profit Margins

BOXSCORE

Paint

Discount Store Sales	$1.2 billion
Sales per Store	$159,648
Department Size	1,270 sq. ft.
Annual Sales per Sq. Ft.	$126
Annual Turns	2.7
Initial Markup	42%
Gross Margin	37%

Discounters rely on national brands as traffic draws, but also use home brands to capture profit dollars. This J. A. Conley's in Massillon, Ohio, has endcapped the home brand. *(DSN photo)*

Sales figures from discounters' paint departments show a mediocre year, and the bottom line tells the story: a tough battle to maintain profit dollars in a sharply promotional category.

Industry sales are up some 9% over last year, while on a store-for-store basis discounters have experienced an 8% average increase in dollar volume.

The 8% increase in sales also boosted sales per square foot 8.2%, as discounters maintained a static department size. Discounters now average $126 per square foot in their paint departments, which do an annual volume of $159,648 per store.

Unfortunately, much of the dollar-volume increase over the last year is directly attributable to cost increases, averaging 7% to 12% at many chains.

In the effort to build real growth in unit sales, discounters have become even more promotional this year, relying on accessory sales and private-label paints to fatten up the bottom line. On average, initial markup decreased from 1979 as a result of sharper pricing emphasis, shrinking by 2.4%. Initial markup in the department now averages 42%.

Deep-cut promotional prices on paint at peak season reflected the competition. Du Pont and Glidden, the major name-brand paints promoted by discounters, had everyday prices cut 26% to 38% by chains.

Indicative of the sharpness in pricing were competitors such as T.G. & Y. and Magic Mart; summertime promotions of Du Pont wall paint ran at $8.93 per gallon at Magic Mart and $8.44 at T.G. & Y.

Glidden Spred was offered at an amazing 40% off everyday price by Venture in peak season this year, running at $8.99 a gallon compared to the everyday $14.99.

Richway offered its home-brand paint at $1 per gallon less in its promotions, exemplifying discounters trying to recoup profit dollars from thin-margin pricing by touting private-label paint heavily.

While many chains devote up to 50% of shelf space to home brand paints, taking advantage of margins that run 10% better than branded goods, on average, branded paint still does roughly 60% of the business.

hearts and flowers Laurel and Hardy gin & tonic birds and bees peanut butter and jelly stocks and bonds rock and roll Jack and Jill corned beef & cabbage nuts and bolts sales and profits $$$$$

The go-togethers Ortho* and Dexol

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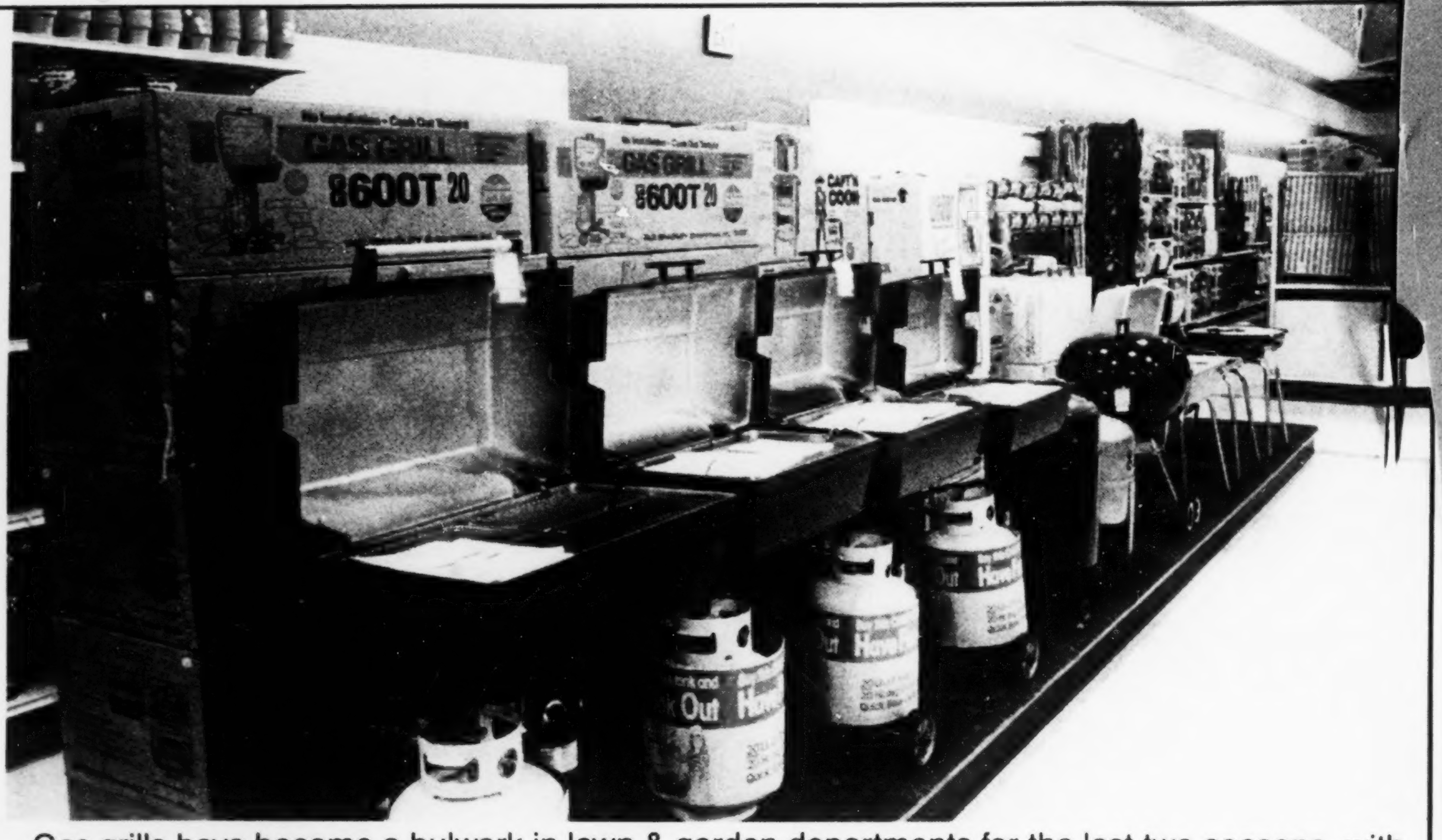
LAWN & GARDEN

Trimmer Promos, Mower Cost Hikes Clip Net

Cook's hit on a "patio" theme in seasonal lawn and garden department, as shown in this Syracuse, N.Y., store. This tight display gives lawn furniture a yard look. (DSN photo)



Gas grills have become a bulwark in lawn & garden departments for the last two seasons, with many chains moving into accessories. This deep display is at Target, Hurst, Tex. (DSN photo)

Stay-at-home consumers spread plenty of green at discounters' lawn and garden departments this year, although increased movement of promotional models in string trimmers and cost increases in mowers clipped volume dollars down before they could reach the bottom line.

New items such as bug killers, less promotional gas-powered string trimmers, trade-up models in gas grills, and larger live plant nurseries were used to bolster the bottom line.

In string trimmers, a departmental favorite for the last three seasons, chains continued to stock a half-dozen sku's in an effort to move consumers up to high-ticket trimmers. Although a replacement market is developing, raising hopes for gas-powered models next year, action continued to be hottest at the low end.

Bradlees, Hills and ALCO were among those reporting the greatest activity in sharply priced, low-end models, and more than one buyer complained that the category has now "shaken down prices, and price fighting among chains has made it harder to make money."

There is no question that the initial sales market—before replacement or trade-up goods—is still a growth area. Manufacturers looked to finish the season with a 5% to 10% unit growth in the category, as only about 20% of households in the country own a string trimmer, according to one manufacturer's estimate.

However, with increasing competition forcing more chains to run near cost on the promotional models, profit dollars must be made elsewhere despite the very high sales volume.

Ames has experienced a 20% real growth in the category this season, but primarily from the promotional models. One promotional model at Bradlees accounted for almost half the total sales in the category at that chain, according to a buyer there. Two promotional models at ALCO accounted for 90% of sales volume in the category.

The problem with these rosy increases in sales volume is the thin margins. As a Hills buyer put it, "the bottom has fallen out" of the market. This accounts for the interest in gas-powered models, which were stocked heavily this year by chains ranging from K mart to Caldor.

K mart's program this season contained three sku's in gas-powered trimmers ($129 everyday price, $99.99 on sale). Rose's carried three gas models in most stores. Woolco carried two gas models in its assortment of seven sku's in trimmers. Heck's added two sku's in gas-powered trimmers for the season.

Chains that did stock gas models this year found sales volume rewarding. Lasting power and lack of a cord, advantages over battery-operated and corded models, spurred consumer response. A Caldor spokesman praised gas-powered trimmers as ideal items in a developing replacement market.

"The same customers who bought their first string trimmer at a promotional price now come into our stores looking for items with deluxe features," he said.

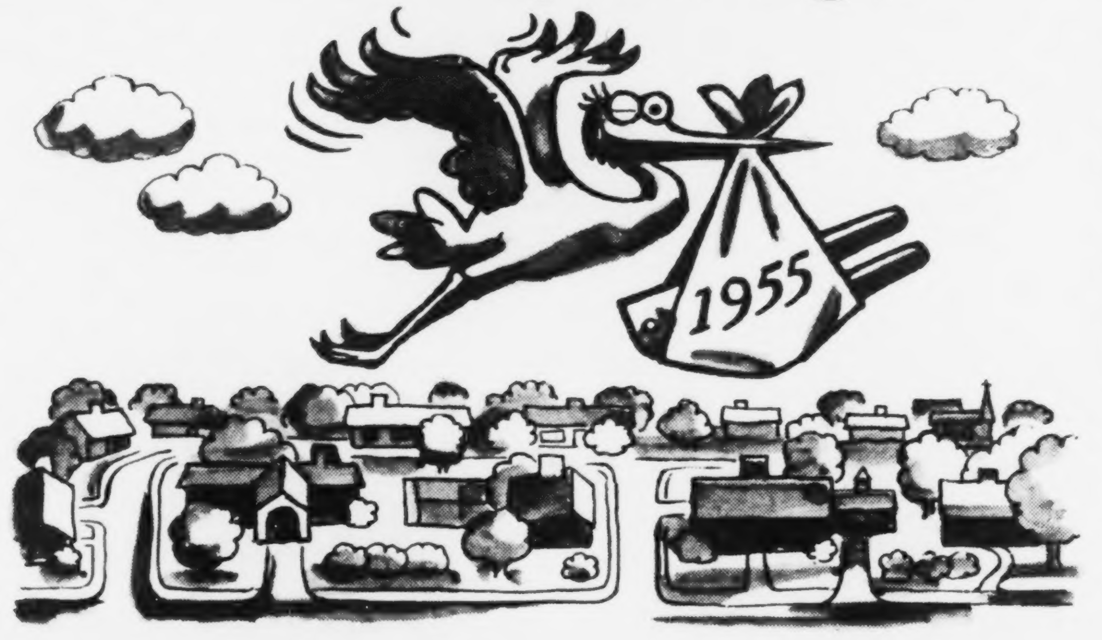
A buyer at Rose's attributed much of his chain's 40% volume increases in string trimmers this season to the gas models. A Hills buyer said the models were "the health and future of string trimmers."

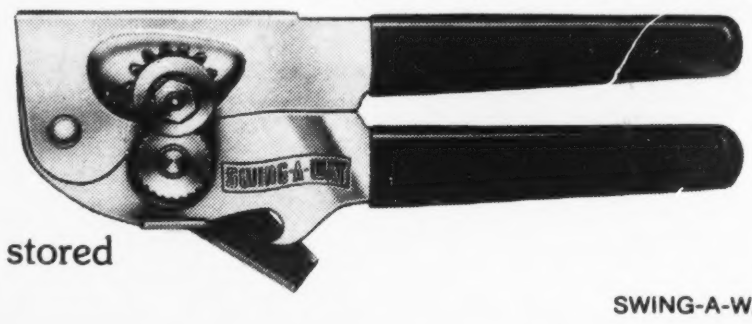
The other major power tools in lawn and garden, the mowers, are the subject of concern once again because of price increases. After being hit with cost increases of 10% to 12% this season, similar cost increases were announced for next year by lawn mower manufacturers.

In addition to cost increases on mowers at present, after next season the "deadman clutch" law will be in effect, requiring mower blades to stop automatically once the handle is released. The safety requirement will add 8% to 10% to a mower's cost, in manufacturers' estimates, and $20 at retail (minimum) in estimates by chain buyers.

At least one chain has beaten the regulators to the punch.

(Continued on page 101)





Selling the number one can opener is as easy as using it.

A success from the start.

In 1955, we introduced the Swing-A-Way #407 Portable Can Opener to America because we realized it was not always convenient or practical to attach one of our popular wall openers.

There were other hand-held can openers on the market, of course, but we envisioned one that was not flimsy and hard to use. What we wanted was a can opener that was as substantial, durable, and efficient as our wall models.

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In the process we created a classic—a truly sensible can opener.

Today, the Swing-A-Way #407 has become the largest selling can opener of its kind in the world.

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Coming:

APAA Show Section: Pp. 13-32

Discount Store News

Small-Chain Biz Slice Dips In Cost Crunch

It's 11th Hour For Korvettes

What's Behind K mart's Test Of U-Pak Box Food Store?

Jewelry Sales Glitter in '79 Gold Rush

Your "Gateway" to auto accessory sales in the 80's: DSN's APAA Show Issue.

The Nov. 17, 1980, APAA Show Issue of *Discount Store News* is an important event for all marketers of automotive accessories.

During the turbulent 80's, discounters will continue to increase their aftermarket share. Sales already are near $4 billion, some 40% of the aftermarket total.

Why? The "frugal-is-fun" consumer recognizes that discounters offer the best price and value.

Right now our editors are researching and preparing this important issue. It will feature major stories on all the key merchandise classifications: oil, auto sound, body repair, chemicals, gas-saving items, hard parts and filters, among others.

You'll also read about action strategies at major discount chains.

DSN is the meeting place for discounters and their suppliers. We're involved in giving our readers the information they need to make the most of their sales potential. That's why automotive buyers and merchandise managers at home and bonus automotive show readers will have their eyes on DSN.

Discount Store News carries more discount-industry-oriented advertising and editorial than any other publication. We're No. 1.

Why settle for less?

Closing date for the Automotive Show Issue is Oct. 23.

Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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1980: THE YEAR OF THE DISCOUNTER

Gas-powered Trimmers Hike Replacement Sales

(Continued from page 98)

Gold Circle, which tested a model with deadman controls in its Ohio stores, added the mower to its merchandise mix.

While some chains have been enthusiastic about better models in mower assortments, such as Bradlees, Gold Circle, Heck's and Woolco, many buyers now worry about price points after the latest wave of cost increases. Rear-bagger, self-propelled and other trade-up mowers will not only require a larger dollar commitment next year per unit, but may slow down in movement off the floor due to price increases.

New items such as bug killers, introduced at many chains for the first full season this year, should be able to take up some of the slack if any occurs in mowers next season, along with the gas grill market, which is still growing and the increasing sale of greenery.

Shipments of gas grills from manufacturers grew 16% last year, according to figures developed by the Barbecue Industry Association, an increase from the 11% unit-growth the year before.

One of the more pleasant developments for many discounters in recent seasons is movement of plants, a trend which intensified this year. Particularly for chains with stores in the Sunbelt, such as Target, Wal-Mart and T.G. & Y., plants have turned into a bonanza.

Target went after consumers in early-season promotions as far north as its Minneapolis headquarters, offering several sku's in shrubbery in ROP advertising ($2.99 to $6.99, everyday prices $3.99 to $9.49).

Even Northern chains with a short summer season have been able to reap a large return due to fat profit margins in the category. Initial gross margins can run to 60%, with average gross margins often equaling 35% to 40% after promotions and other factors are included.

The possibility of tie-in sales also makes plant business appealing.

Hardware

(Continued from page 86)

antennas, dimmer switches and lamp components are also best sellers among discounters, who opt for basics over more sophisticated electrical-project parts.

In power tools, discounters report consumer trade-ups to higher-priced tools are becoming more common as more shoppers become DIYers, but the pressure for promotionals is still there. So, once again, discounters are wondering whether or not there will be enough of a low-end supply to take them through Christmas.

Last year, many discounters got shut out by Black & Decker's failure to keep up with demand for its highly promoted tools. This year, while chain buyers say most supply problems have been eliminated—aided by a dropoff in sales—most are still unwilling to relax. In fact, some particularly wary buyers have decided to eliminate the Maryland-based supplier's line from Christmas ads, rather than run the risk of having empty shelves.

Plastic hoses, the basic building block of most discounters' lawn and garden departments, are unfortunately tied to oil prices. This mass display is from a Two Guys in Hackensack, N.J. *(DSN photo)*

GARDEN FERTILIZER
ROSE FOOD
TOMATO FOOD
EVERGREEN & AZALEA FOOD
LIME
GYPSUM
BONE MEAL
COW MANURE
fertilmix POTTING SOIL
SUPER MANURE 4-4-2
POTTING SOIL
SPHAGNUM PEAT MOSS
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Hoffman has a unique top quality line that really does the job. Our top selling items are exclusive — things like our New Improved Plant Foods, Fertlimix Potting Soil and Super Manure. Hoffman is a company you can count on. In the last 45 years, we've learned a lot about profit, service and results. Let us show you. Call or write for the full Hoffman story.

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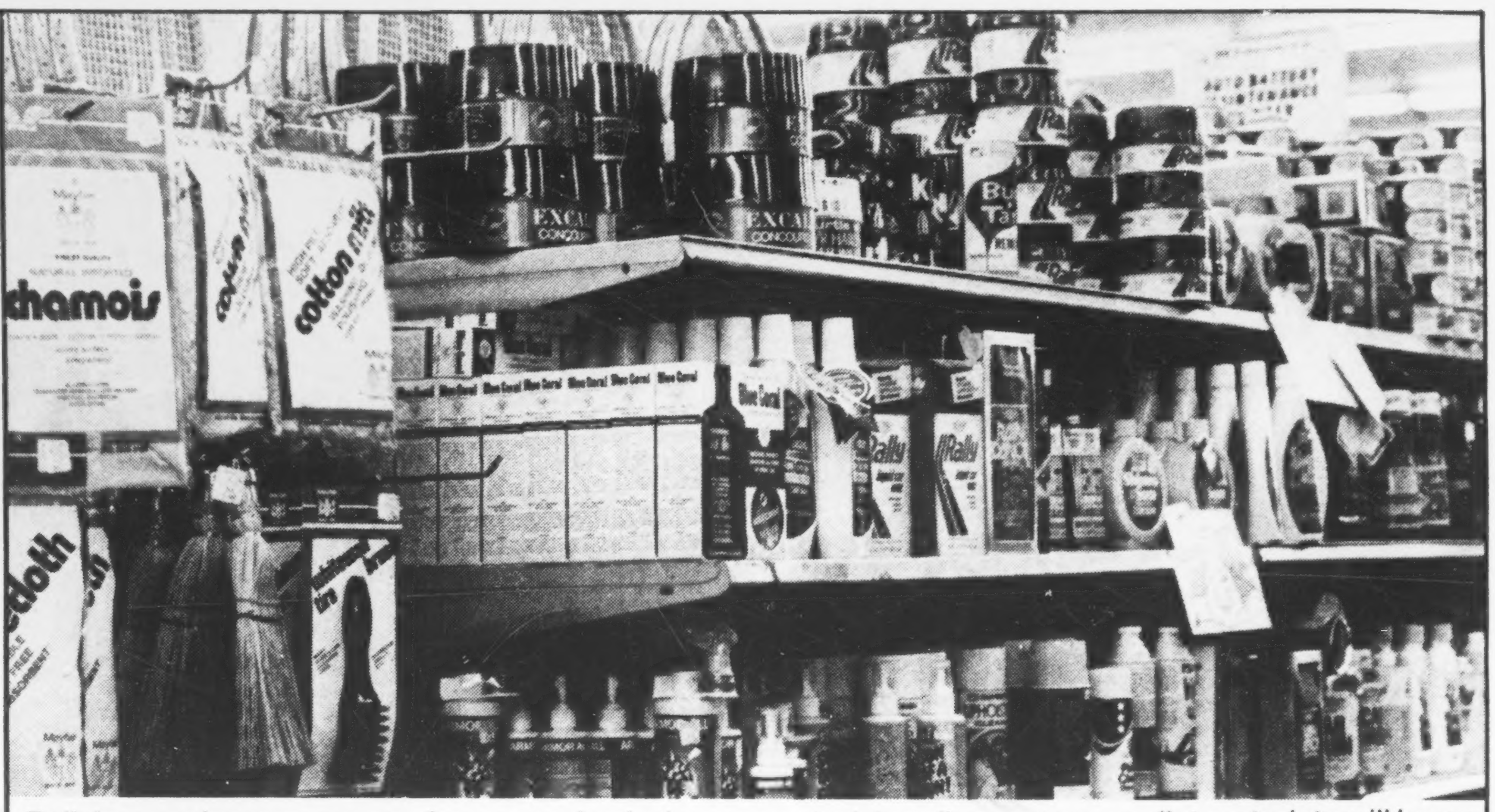
Car Prices Expected to Hike After-market Biz

BOXSCORE

Automotive

Discount Store Sales	$3.7 billion
Sales per Store	$491,209
Department Size	2,280 sq. ft.
Annual Sales per Sq. Ft.	$215
Annual Turns	4.5
Initial Markup	33%
Gross Margin	27%


Polishes and waxes are moving more slowly than expected, but discounters predict motorists will hang onto their vehicles longer, and a surge in beautification products is inevitable. *(DSN photo)*

Discounters are predicting that the skyrocketing prices on new cars and continued increases in auto repair costs will translate into substantial sales increases in the auto aftermarket during the coming year, as more motorists than ever do their own repairs.

Most discounters surveyed were reluctant to say exactly how much sales should rise. But many said that a good winterization program this fall and strong promotions throughout the year could generate an increase of at least 10%; probably closer to 20%.

Car beautification items will do well, discounters said, as increasing numbers of people put off new car purchases and try to better maintain the cars they have.

DIY Stars

The real stars, though, are going to be the traditional favorites of do-it-yourselfers—oil, spark plugs, filters and other maintenance items.

Officials of chains such as Woolco, Gold Circle and King's have noticed that do-it-yourselfers have been getting more adventuresome and taking on increasingly complicated repair tasks.

In the coming year, many predict, hard parts now stocked by only a few chains will grow in importance. Those items include fuel pumps, alternators and electric radiator fans.

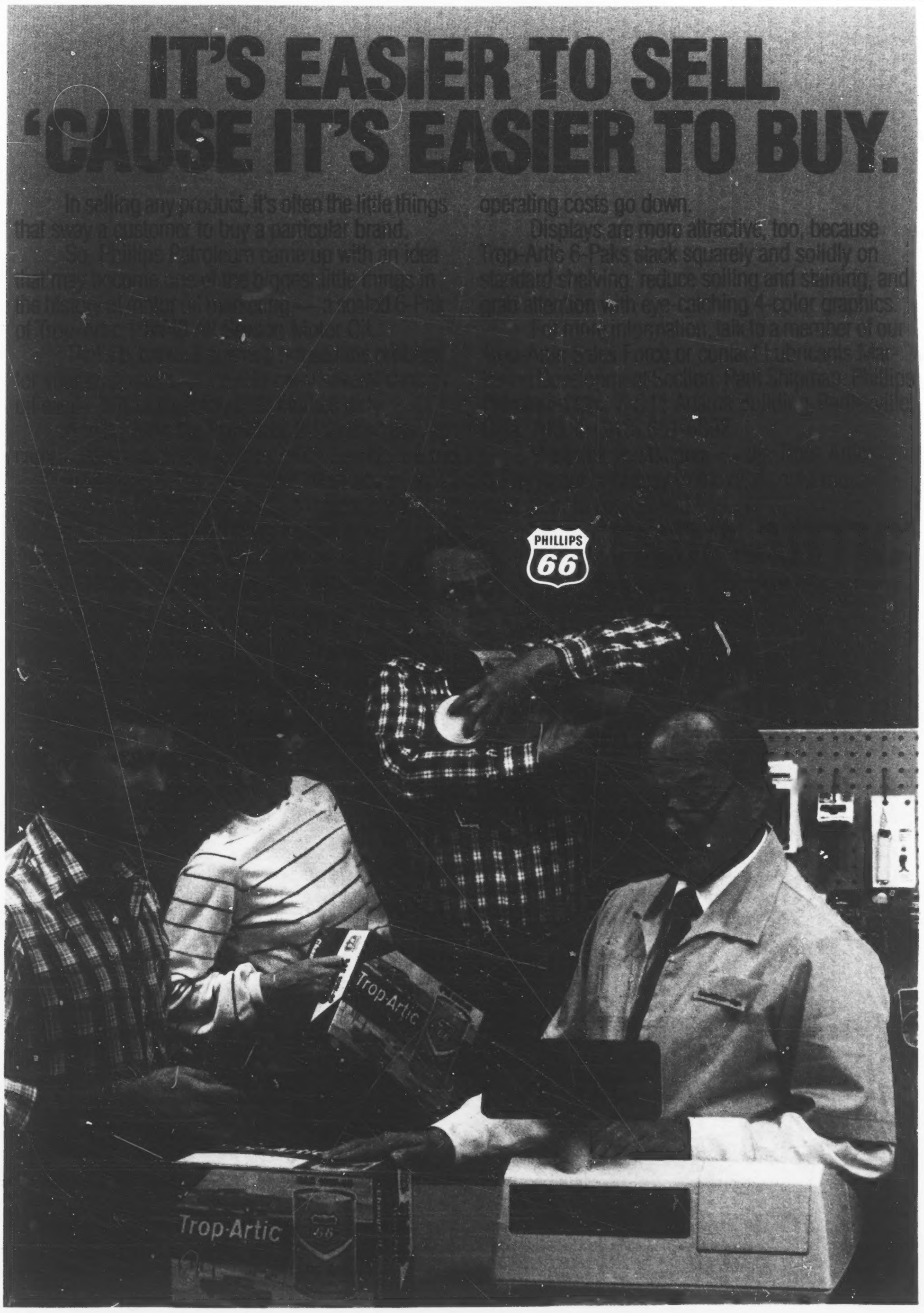
Figures supplied in several recent product movement audits by the Allied Accessories and Auto Parts Company, which deals with more than 1,700 discount stores, tend to support the trend.

Spark plugs, as well as tune-up kits, chemicals and oils, were the strongest performers in 1979, and preliminary statistics indicate they are doing even better in 1980.

Creeping up to more dominant positions on the list are items that allow car owners to do more complicated repairs and heavy duty jacks that allow them to get under their vehicles with greater ease.

Two makes of mufflers made it onto the list of top 100 best sellers this summer and a $69.96 two-ton hydraulic floor jack continued to make impressive showings.

(Continued on page 103)


IT'S EASIER TO SELL 'CAUSE IT'S EASIER TO BUY.

In selling any product, it's often the little things that sway a customer to buy a particular brand.

So, Phillips Petroleum came up with an idea that may become one of the biggest little things in the history of motor oil marketing — a sealed 6-Pak of [illegible] Motor Oil.

[illegible]

operating costs go down.

Displays are more attractive, too, because Trop-Artic 6-Paks stack squarely and solidly on standard shelving, reduce spilling and staining, and grab attention with eye-catching 4-color graphics.

For more information, talk to a member of our [illegible] Sales Force or contact Lubricants Marketing [illegible] Section, [illegible] Phillips [illegible] Building, [illegible]

Mufflers and Floor Jack Make Strong Showing

Sales of gas additives as well as other chemicals are climbing as motorists get more concerned about engine efficiency. Rose's, Millsboro, Del., features chemicals near tune-up parts. *(DSN photo)*

Oil is expected to play an increasingly bigger role as a promotional item in discount stores. Oil is displayed along with a full selection of funnels in this Rose's store in Millsboro, Del. *(DSN photo)*

(Continued from page 102)

T.G. & Y. was one chain reporting considerable success with two mufflers it has recently begun to carry in 250 stores. One retails for $9.95. The other is $15.77.

Automotive chemicals are expected to continue to make a strong showing as car owners become increasingly concerned with keeping their vehicle on the road as long as possible.

Several discounters noted that while mileage boosters are selling well, they are not as strong as many believe. And while they will continue to be an important item in automotive sections in the coming year, further growth will be slower.

Several chains have reported they are avoiding the lesser-known regional brands of mileage improvers in favor of nationwide lines with more substantiated mileage claims.

Body kits will also continue to grow in importance for discounters as an increasing number of motorists remove dents and bangs themselves.

Several years back motorists generally avoided do-it-yourself products in this area, buyers said. The new kits offer greater ease in use, however, and motorists frequently find they can obtain results that are close to those offered by professional body shops, buyers said.

Although car beautification items will generally not do as well as other categories of automotive parts, halogen light kits are proving to be an exception in some areas.

Priced from $19.88 to $21.88, motorists are finding them both valuable in increasing visibility and easy to install.

Sales are particularly good in the Middle West and even in rural sections of the Northeast, where they are a popular addition for pick-up trucks.

November Bow For Uncle Bill's

CLEVELAND—Cook United will open its 13th Uncle Bill's discount department store in the Greater Cleveland market—its first in suburban Brunswick—this November.

The store, an existing 53,000-sq.-ft. retail space at the corner of U.S. Route 42 and Ohio Route 303, is currently being renovated and remodeled.

ANCO PRESENTS...

A PROMOTION TO BRING IN THE CUSTOMERS, AND THE PRODUCTS TO KEEP THEM COMING BACK.

Laurel and Hardy® Larry Harmon Pictures Corporation, 1980.

How would you like to offer your customers a quality western-cut vest for only $18.95?

It's easy. Just introduce the ANCO quality line in your store now.

You win two ways. With a quality offer and quality products.

Every ANCO product, from wiper blades to windshield solvent, reflects the highest of industry standards...the kind of quality your customers immediately recognize and come back for.

So start attracting new customers this fall with this super new promotion, and increase your wiper sales at the same time.

Ask your supplier for full details.

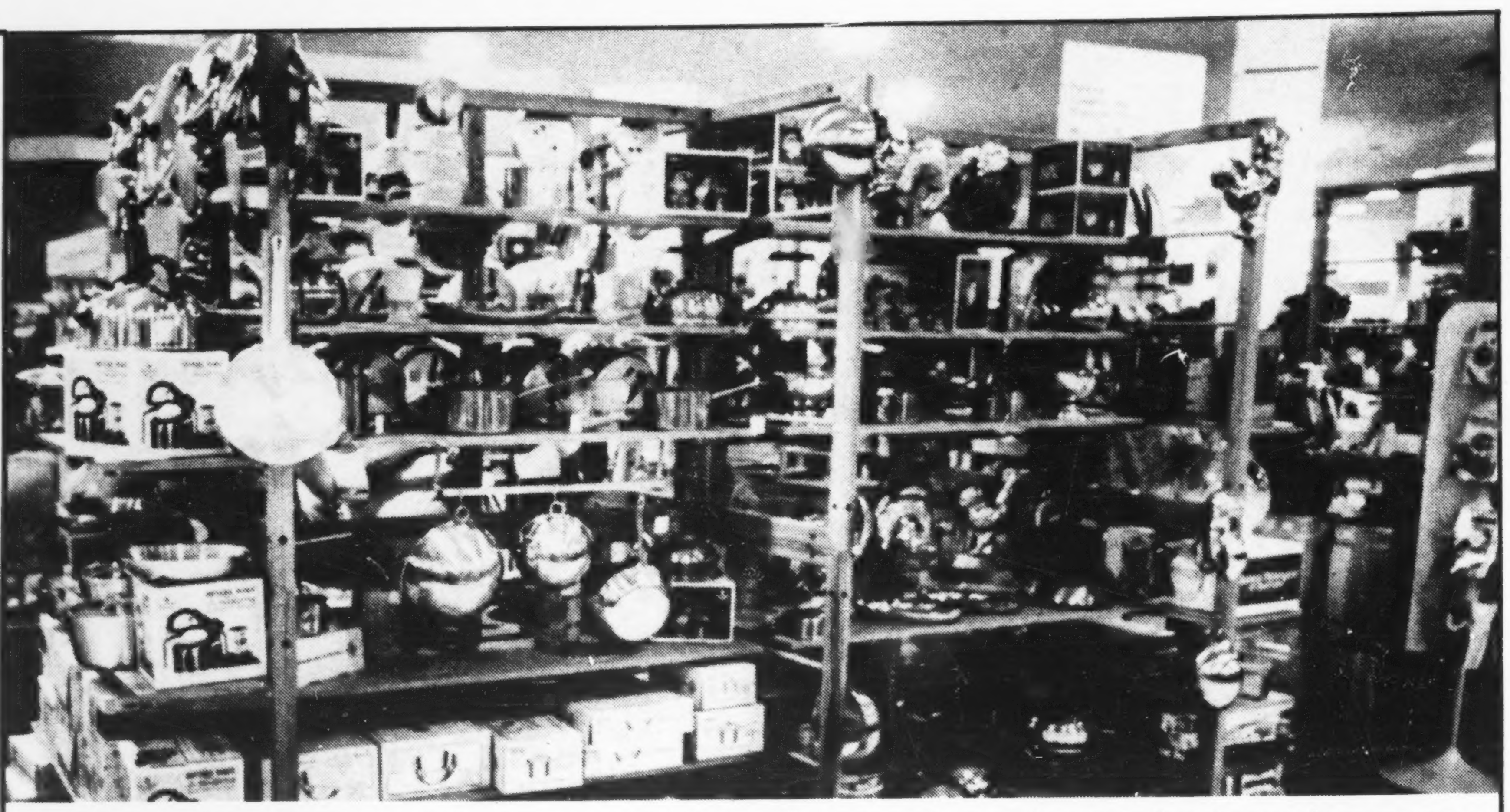
ANCO.
To see your way clear.
Gary, Indiana 46440

Housewares Boosts Share of Store Volume

Housewares

BOXSCORE

• *Discount Store Sales*	*$4.2 billion*
• *Sales per Store*	*$542,916*
• *Department Size*	*5,734 sq. ft.*
• *Annual Sales per Sq. Ft.*	*$95*
• *Annual Turns*	*4.2*
• *Initial Markup*	*38%*
• *Gross Margin*	*34%*



Jefferson, Woodbury, N.J., features new gourmet cookware section as keynote for stepped-up presentation of housewares. Open fixtures using natural wood bars and shelves are used extensively.
(DSN photo)

Despite the vicissitudes of the economy, housewares has turned into a stellar department for discounters, with sales not only holding up but actually growing and capturing a greater share of total store volume.

This situation reflects the fact that the nonelectric housewares category offers discounters the twin opportunities of merchandising basic, fast-turning goods such as gadgets and chemicals, and step-up, fashion-oriented home decor items such as modular furniture, pictures and mirrors.

The shining outlook for housewares can be seen in the statistical profile of the department which shows that total discount store housewares sales will hit $4.2 billion this year, up 23.5% from $3.4 billion. Volume per store will jump 16% to $542,916 from $467,933.

A 12.4% increase in department size to 5,734 sq. ft. will lift sales per square foot 3.5% to $95 from $91.75. The low sales-per-square foot figure is deceptive. At first glance it would seem to make housewares a low-profit department, among the lowest for hard lines.

Housewares, however, has a 4.2 annual turn, which, combined with a 38% initial markup and a 34% gross margin—both higher than last year—makes the department a strong generator of gross profit dollars.

The production of bottom-line dollars, and the total sales—No. 3 among all categories—explain why discounters are strengthening their commitment to housewares. Objects of these efforts include:

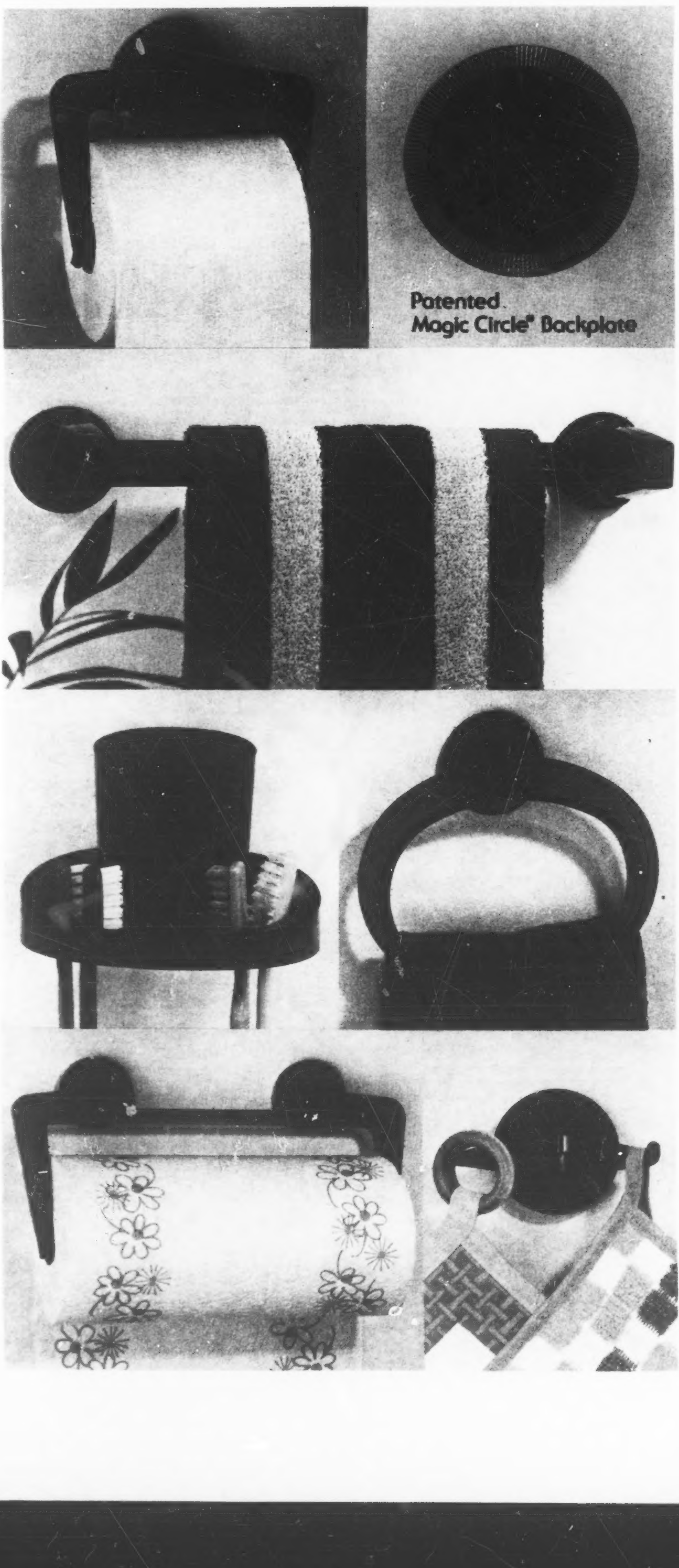
- Gourmet cookware. Zayre and Jefferson are among a growing number of chains that have developed gourmet cookware sections that combine stepped-up cookware with specialty items such as steamers and spinners to dry vegetables. The upscale fixturing uses natural wood units to mass-display the merchandise.

Jefferson plans to have the section in all its stores, having put it in units opened this summer in Philadelphia and in remodelings of older stores in Florida. Zayre has the section in almost two dozen stores that have been remodeled and is set to put it in another 15 to 20

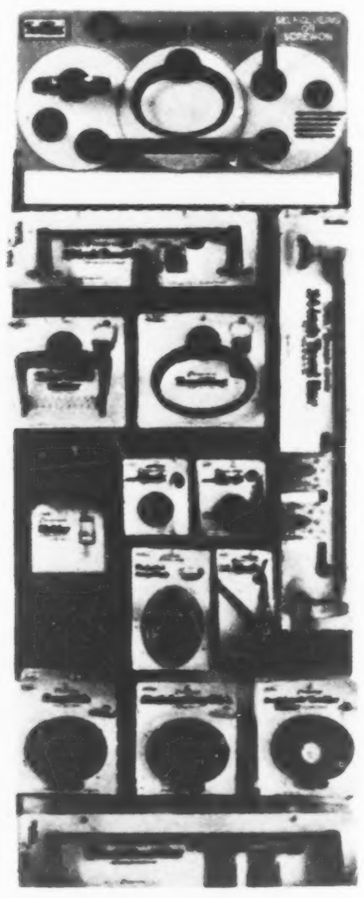
(Continued on page 120)

Forever Amber!

by Selfix®



Only Selfix has the exclusive Magic Circle® backplate, the foundation for this ingenious mounting system. Self-glueing or screw-on with wood insert, the plate goes up first so the product slips over it and aligns perfectly.



No. 1290 Assortment

Made from exclusive, durable lustrous Accryl™ each amber bath product is packaged on beautiful 4-color cards. Magic Circle displays sparkle with everything from towel bars to hooks. You'll want to stock amber forever!

Products also available in smoke, crystal and assorted.

Selfix®

Selfix, Inc., 4501 W. 47th St., Chicago, IL 60632
Selfix of Canada, Ltd., Scarborough, Ontario M1H 2V5
Bathwares (Selfix), Ltd., Swindon, England SN1 2PG

JEWELRY

Soaring Gold Prices Alter Mix of Many Depts.

Jewelry

BOXSCORE

Discount Store Sales	**$850 million**
Sales per Store	**$109,076**
Department Size	**550 sq. ft.**
Annual Sales per Sq. Ft.	**$198**
Annual Turns	**3.1**
Initial Markup	**48%**
Gross Margin	**40%**

Caldor, Middletown, N.Y., showcases fine gold jewelry to give an upgraded image. Shorter lengths and lighter weights of 14-karat gold chains are popular today. *(DSN photo)*

Skyrocketing gold prices changed the character of many discounters' jewelry departments this year. Buyers for chains in smaller or non-metropolitan markets saw themselves being priced out of the 14-karat gold business, and consequently placed greater emphasis on gold-filled items, based metal watches and costume jewelry.

At the same time, the change in jewelry prices opened the door for many upscaled chains that capitalized on their department store images and lower prices to win sales. These discounters upscaled their presentations and introduced diamonds and gemstones into

(Continued on page 114)

Stationery

(Continued from page 70)

periment with glue. Bi-Mart offered private label pencils, and will expand its private label in stationery in the future. Buyer Larry Polen noted that in categories where brand names were well established, the chain would stay with those names.

The home/office category continued to pump new life into the department this year. Buyers added high-ticket items, and learned to stretch the category's already high profit potential with year-round promotional activity.

Caldor established its home/office section two years ago with just a "smattering" of items and in a handful of stores, according to buyer Al Pius. Today, all stores carry a section. Size of the section depends on the strength of the business community surrounding the store, although the average size is 8 running ft. Assortment includes home safes, globes and desk accessories.

Bradlees devotes more space to home/office items than to any other category in the department. The section is double the size of both its school supplies and writing instruments sections.

Wal-Mart introduced desks this year and has two models in most stores. The high-end item carries a $318 ticket.

The buyer is considering the inclusion of full suspension files that retail from $60 to $100.

They look identical,
twice as much
three on

You can make twice as much because the ones on the right aren't ordinary sunglasses. Their lenses are SunSensor® lenses by Corning.

SunSensor lenses can mean 100% more profit.

Market data shows sunglasses with SunSensor lenses sell for nearly twice as much as ordinary sunglasses in many retail outlets. So you can do almost twice the dollar volume and make twice the profit, based on equivalent margins. That means more profit per square foot without adding an inch of shelf space.

We're growing fast.

Last year our market share went up dramatically and it's still climbing. SunSensor lenses' sales for the first six months of 1980 are even higher than last year.

Our line is growing, too.

It's growing to give people exactly the color and degree of darkness they want. Some want the original SunSensor indoor/outdoor lenses. Others want the premium SunSensor XDF™ lenses that change from light to dark in less than 60 seconds, and now

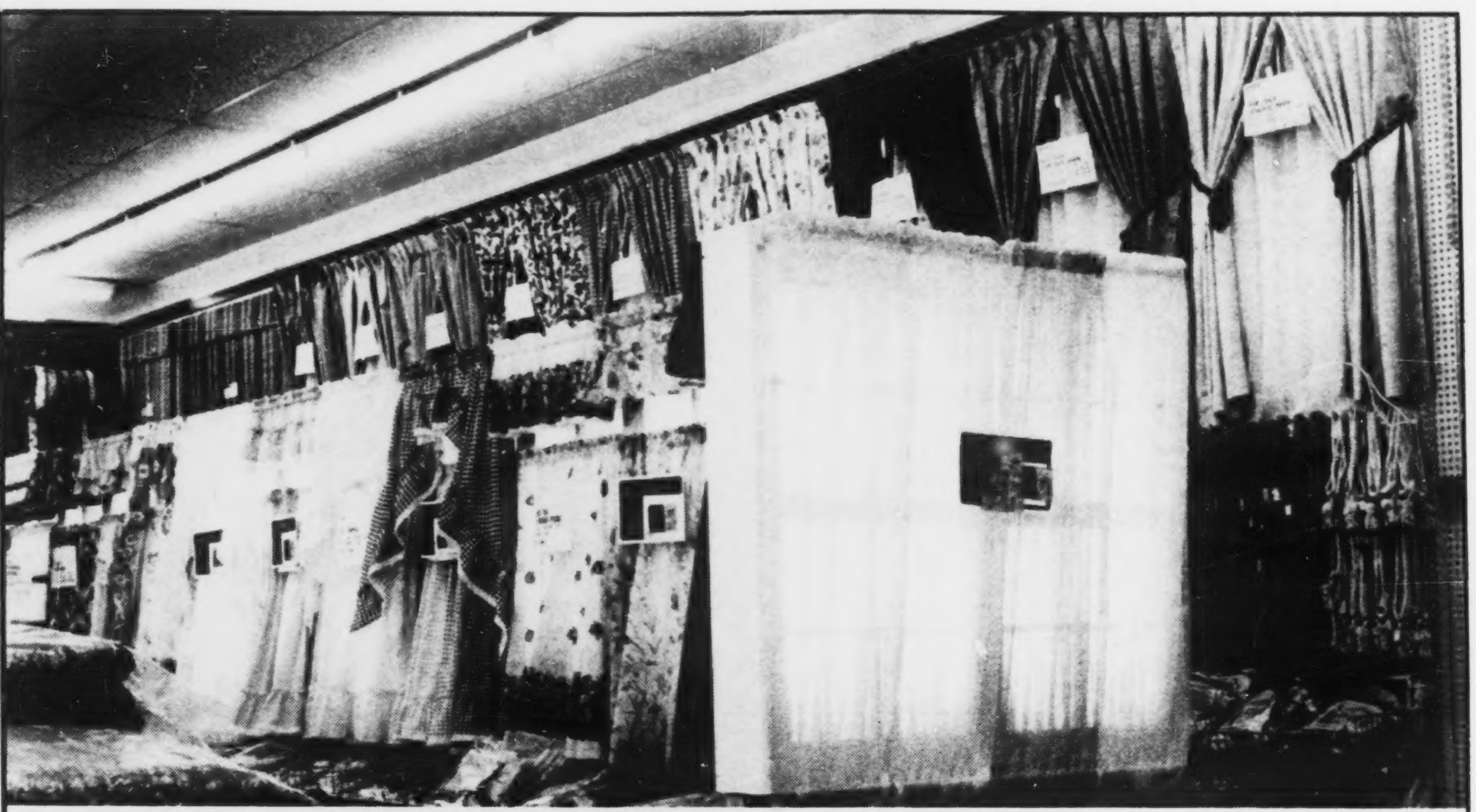
SUNSENSOR and SUNSENSOR XDF are trademarks of Corning Glass Works, Corning, N.Y. 14830.

Fashion Trend, Energy Costs Influence Buyers

BOXSCORE

Domestics

Discount Store Sales	*$2.0 billion*
Sales per Store	*$258,531*
Department Size	*3,120 sq. ft.*
Annual Sales per Sq. Ft.	*$83*
Annual Turns	*3.6*
Initial Markup	*40%*
Gross Margin	*36%*



Drapes that insulate and/or give a decorator look, attracting the thrifty home decor customer and the energy conscious, are positioned for storewide view at Jamesway, Saugerties, N.Y. *(DSN photo)*

Domestics buyers over the past year have been influenced by revived consumer interest in home-decor departments and the ongoing concern about the high cost of energy.

Summer's-end sales and fall buying witness this year's approach to curtains and draperies.

Curtains, in particular, reflect home decor trends with new fashion touches. New stylings include smocking and various ruffle treatments; and prints are making a more important statement here, just as they are in piece goods, apparel and other fashion categories.

The expense of staying warm and keeping cool is one major selling point in energy conservation pitches emphasizing draperies that insulate.

The energy story is of prime importance at Caldor, where curtain, drapery and domestic buyer Gale Egan said self-lined drapes will be emphasized in POS and print advertisements. With draperies comprising 42% of the mix in her department, a new energy-conserving self-lined Malimo was added to spark fall sales.

In curtains, which dominate the mix, the smock tier continues as a strong performer. New print and eyelet trims have been added to tiers, while embroidered panels and lace dress up tailored and cape curtain categories.

Continued success in those styles is seen at Gibson's, too, where new smock and ruffle detail entries were added for fall.

But, like at Caldor, the big story is in energy promotions. Gibson's buyer also added a self-lined drape this season and said he was "looking for substantial sales increases as a result."

He expects turns to be three times better for those he promotes as energy savers.

"We are looking for a low- to middle-price point to promote at $9.99," he said. "Our customer wants the most current drapery fashion at moderate prices."

Fashion in drapes translates to traditional earth tones, new prints, jacquards and satins in draperies.

Basic items with new stylings are the rule at Heck's, which has experienced a conservative year, compared to Caldor.

but you can make money from the the right.
SunSensor XDF
lenses that change
SunSensor Dark
lenses that change
SunSensor Regular
lenses that change

come in four fashion colors.

Then there are all those folks who prefer our SunSensor Dark lenses. They start out dark and get even darker. We're making these dark lenses in a new color, too—a brown that's compatible with all the new fashion frames.

SunSensor lenses are TV stars.

Last year we ran more national TV commercials than any other sunglass lens. This year we're spending even more.

We'll be on during the peak selling months of April, May and June. And our new commercial will feature one of the world's best-known TV celebrities.

The power of the hang tag.

Every SunSensor lens commercial features the SunSensor lens hang tag with its big orange sun. Research tells us that your customers remember it and look for it. And next to our big SunSensor lens hang tags, you can hang bigger price tags.

Those bigger price tags add up to bigger profits for you.

CORNING

TOYS

Discount Store Census '80/'81

BOXSCORE

Toys

Discount Store Sales	$2.9 billion
Sales per Store	$374,870
Department Size	2,660 sq. ft.
Annual Sales per Sq. Ft.	$141
Annual Turns	3.8
Initial Markup	36%
Gross Margin	29%

Buyers Try to Stretch Business

Discounters predict runaway sales of nationally advertised electronic-game toys again this year such as these shown at Bradlees, Burlington, Mass. *(DSN photo)*

Toy buyers are fine tuning their basic assortments and selecting items for dependable turns at decent margins. They hope that strong basic assortments will help stretch both toy sales and profits over the entire year, weakening their dependence on the highly promotional Christmas season.

Back to Basics

The move toward basics comes in response to consumer demand for greater play value, durability and family entertainment, buyers said. Last Christmas, consumers showed increased interest in getting mileage out of their dollars as evidenced by the strong sales performances turned in by preschool, board games, non-TV dolls, and miniature wheel goods categories.

This trend also led buyers to scrutinize their TV toy selection, where high-tickets continued to meet consumer resistance. Yet buyers did not lose sight of the importance of carrying an adequate selection of these traffic drawing items. They cherry-picked TV toys based on such factors as manufacturers' advertising support and price points. For instance, at Hecks, buyer Bob Kuhns avoided TV toys priced over $15 because of customer resistance to prices beyond that point last Christmas.

Ad Support

T.G. & Y. buyers were also among those who chose not to be as aggressive this year with TV toys, according to buyer Nick Jung. They are backing up the major TV toy companies, but are not going as deep as in previous years. TV toys must also be supported by at least $700,000 of network television advertising before they are considered for the T.G. & Y. toy lineup, he said.

As basics become a bigger portion of the toy business, buyers hope to generate productivity year-round. Basics afford higher gross margins, and along with year-round sales, could make toy departments a leading profit maker for discounters.

A recent Product Movement Audit (PMA) conducted for DSN by Consolidated Toys, revealed sales increases for every month in 1979 over the previous year. This had observers speculating that some progress has already been made to broaden the toy-selling period.

Board game sales were bolstered by the stay-at-home trend. Consumers searching for inexpensive modes of family

(Continued on page 111)

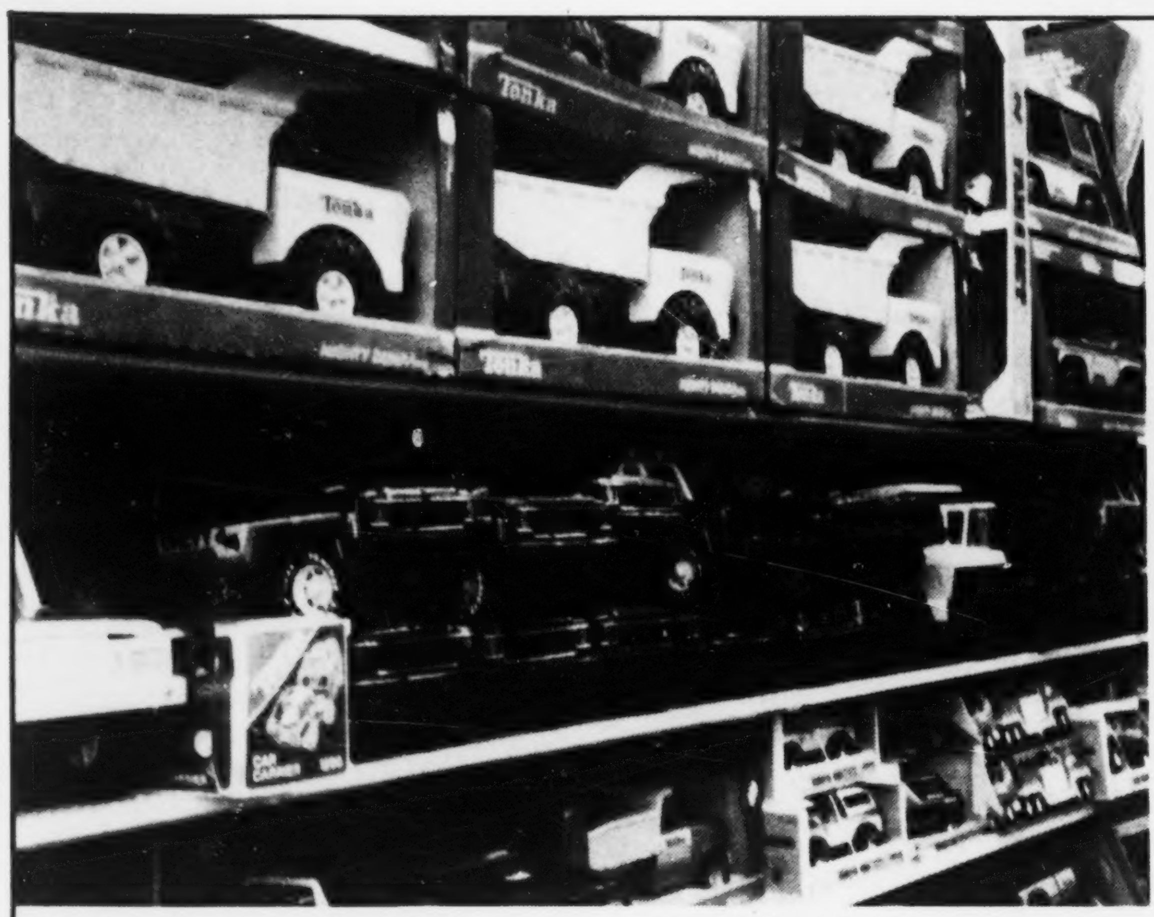
Nobody works harder!
LEGO

We want you to know. We're working as hard as we can to serve your needs:
Still expanding! Our newly enlarged Warehouse and Packaging facilities are now in full operation – and we're planning even further expansion to meet your expanding demands.

Working day and night! To get as much product to you as possible.
Gearing up for a big fourth quarter! With over 25% more advertising than last year including special TV and print campaigns for our DUPLO,™ FABULAND,™ and LEGO® lines.

©1980 LEGO Systems, Inc. LEGO,® FABULAND,™ DUPLO,™ LEGOLAND,® Interlego A.G.

Board Games Advance, Add Shelf Space



Toy trucks are riding the wave of popularity of less expensive, durable basic toys. This Zayre in Chicago stacks a wide selection of Tonka trucks on its shelves. *(DSN photo)*

Consumers are turning more to toys such as board games and other basic items as sources of family entertainment. Rose's, Southport, N.C., creates a valley of basic toys. *(DSN photo)*

(Continued from page 110)

entertainment turned to such old-time favorites as Monopoly, Life, Clue and Scrabble. A Caldor merchandiser estimated that 12%-14% of the chain's toy shelf space devoted to board games produced about a fifth of the overall toy sales.

The category's relatively reasonable pricing and its high-quality image were other selling features. "In a time of energy problems, inflation and recession, board games are a good value, offering entertainment at a reasonable price," explained a spokesman for a leading manufacturer.

Plush Sales

The plush business surged for similar reasons. This category frequently outsold TV dolls and sometimes even outperformed non-TV dolls as well, according to Consolidated Toy's audit.

Buyers cited the category's appeal to a wide range of age groups, its gift image, and the influx of a variety of character lines this year as reasons behind the category's sales performance.

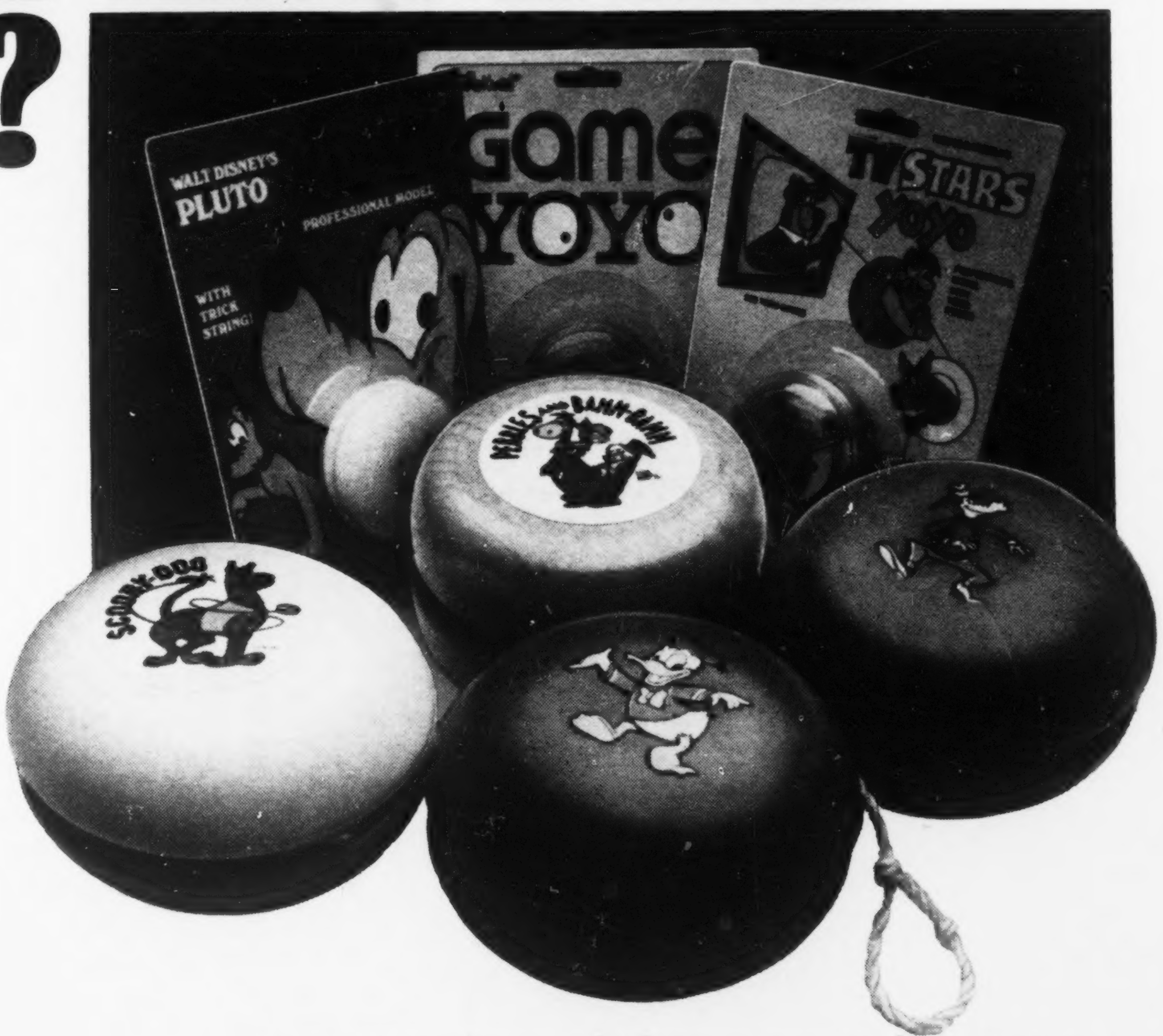
The trend toward basics had the most impact on the preschool area, which was dominated by long-popular items made by Fisher-Price and Playskool, buyers reported. Manufacturers' shipments of preschool toys rose 40% in 1979, according to Commerce Department reports. Bradlees and T.G. & Y. are among the chains reporting that preschool is one of their largest sales producers.

Wheeled Winners

Another price/value winner within toys was miniature wheel goods, where buyers singled out items made by Tonka, Nylint and Buddy L as the frontrunners in sales.

"The Tonka dump truck is the standard in this category," said a spokesman at David's, a 7-unit chain headquartered in Wichita, Kan., which recorded a near sellout in miniature wheel goods this year. "Sometimes a company gets a new license, but this is all that freshens up the category. Sales will continue to go up for us, if manufacturers keep a lid on price increases."

WHAT KIND OF CHARACTER HANGS AROUND WITH LITTLE KIDS?



As any yoyo knows, kids are smarter than grown-ups. That's why, if you want to hang around with kids, you've got to have character.

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Electronic Games Hurt by Supply Problems

Buyers hope to draw year-round toy sales with high-quality basics that have family appeal. This Caldor, in Middletown, N.Y., devotes backwall space to model sets and accessories. (DSN photo)

Electronic games continued their runaway sales growth this year, but price hikes (up 10%-20%, according to manufacturer estimates) and lingering supply problems had buyers proceeding with caution as they selected their toy lineups for the coming season.

"This could be the year when a lot of people get burned on electronics," warned Gary Jackson at Magic Mart. He and other buyers saw price points as the critical factor in stocking patterns this coming year, as a flood of new low-end knockoffs vie with step-up newcomers for consumer dollars.

Buyers added that the consumer shift away from expensive TV toys would sharply effect electronic game sales.

In response, many buyers—including those from Hecks, ALCO, Caldor and T.G. & Y.—have honed down their electronic toy selection to better prepare toy departments for this shift in attitude.

Supply shortages which dampened electronic sales last Christmas are predicted again for this season. Toy manufacturers reported continued difficulty in getting supplies of vital computer chips.

A spokesman at Texas Instruments, a major chip supplier pointed to an "explosion in demand" as one reason this company couldn't keep up.

"We can't respond to the problem as rapidly as we'd like to," said the spokesman. "Our supply of chips will hold steady in 1980. We hope that things will be under control late this year or in early 1981."

Many buyers have chosen to support the nationally advertised name brands this season. Bob Binder at Jefferson Stores spurned off-brand products in favor of running with Bradley, Mattel and Coleco.

Woolco and Caldor were among the chains that also shied away from knockoffs. "We decided not to go with the knockoffs," said a Caldor's merchandiser. "We don't think the customer wants games they haven't seen on television. They are simply not willing to make a $25 investment in a product they don't know."

Consumer resistance to high-ticket electronic games convinced many buyers to select items in the medium to low-end price ranges. Bradlees, for instance, switched from a selection of very strong promotional and higher everyday prices to a selection of items with low everyday prices.

Taking note of the growing consumer interest in at-home entertainment, discounters have also leaned toward electronic games that appeal to a wide variety of age groups—and to both boys and girls.

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The Bronco Bustin' Rodeo Set includes a rearing horse, bucking Brahma bull, and a walking clown in a barrel, along with a rodeo cowboy, so kids can stage lots of exciting rodeo competitions. The modern "bunkhouse" and trailer with Chevy Titan truck keep the fun going when the rodeo is over.

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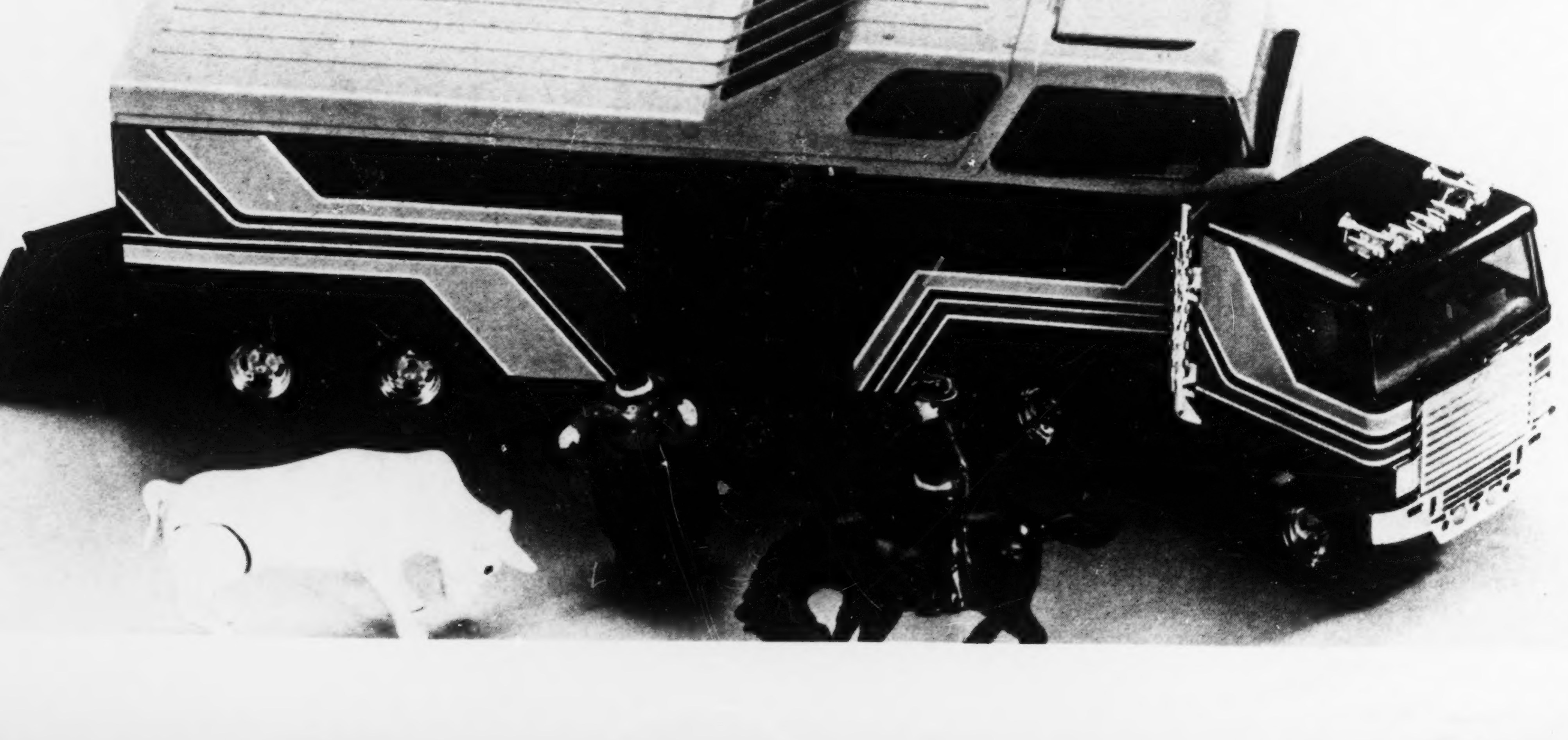

Children's Wear

(Continued from page 80)

higher-priced garments.

"We're not concentrating on promotional items as much," said Gold Circle buyer Darlene Jenkins. "The whole children's wear category is being shifted upgrade."

Rather than dropping low and median price points, she is building up the high-end to attract consumers shopping for a fashion look.

"If the look is right, they'll buy it," she said, "although retail price points are up between $1 and $3 on some dresses. At the same time, our customers are becoming more quality-conscious," she added.

What customers are buying their children is the western look in denim apparel and some preppy styles in corduroy or denim jumpers. In dresses, they are shopping for more detail and better fabrication, so Gold Circle's department features fewer polyester dresses and more wovens, plaids and prints.

Upstairs brands, as at most chains, are influential, but not key, items.

A Wrangler denim program recently added to boys' wear may be added to the girls' department, as well.

Brand names, however, are not synonymous with quality, and price incentive is still an important consideration.

"I can't see our customer paying more for name brand underwear when we have an equally good private label product," said Gold Circle's Jenkins.

"Fashion label status is not as significant for children's as for other categories," Paul Marus, merchandise manager at Magic Mart, said. Although Magic Mart's customer base is in rural markets, brand names do outline a trend to quality for the chain, where 25% of children's wear business comes from the Levi's program.

"Quality and newness are more important than price in tops," Marus said, "but quality and price are the key features in jeans."

In girls', the key fashion factor is preppy; in boys', it's western.

A new emphasis on knits means higher costs, but wovens and velours are bought to answer demand, he said.

JEWELRY

Teenagers Move Up to Gold, Gold-filled Items

(Continued from page 108)

their jewelry mix.

The unit movers at Woolco, according to buyer V. R. Catts, are the light-weight, 15-in. 14-karat gold chains keyed at price points from $12 to $24. Catts foresees gold-filled jewelry sales outpacing those of 14-karat gold in the near future. In light of this trend, Caldor buyers replaced high-ticket gold jewelry with 18-karat gold-filled pieces.

Caldor reported that gold unit sales were down 25%-30% although dollar volume was running forward.

Still, buyers insisted that high-ticket gold jewelry had its place among jewelry selections. Woolco, for instance, offers two 24-in. necklaces ranging between $250-$300 to "add spice to the department" and to give customers items with which to make price comparisons against lower-ticket gold pieces, said buyer Catts.

Costume jewelry continued its downward curve for most chains as teenage customers moved up to gold and gold-filled jewelry. Sales of brightly colored lacquered and metallic bead necklaces, and motifs in sets have somewhat perked up costume jewelry's sluggish performance, buyers said.

The upscaled discounters who are in hot pursuit of the high-end jewelry business foresee continued growth in the diamond and gemstone market.

Gee Bee buyer Stanley Fass predicted that small semi-precious stones and chip diamonds in small earrings under $20 would be important to the health of the chain's jewelry department. Currently costume jewelry pulls in 10% more volume but Fass sees low-end fine jewelry taking over.

Jewelry
Cosmetics
MUSIC CEN

Top unit performers in Woolco's jewelry department are the lower-ticket gold and gold-filled chains. The department in a Philadelphia Woolco is shown here. (DSN photo)

Electrics

(Continued from page 79)

bates to draw customers.

A Zodys executive explained that the chain will be promoting more this fall and will use rebates to focus on key price points that should attract shoppers.

"Everybody is on the rebate bandwagon," an ALCO merchandiser said, adding that rebates help sales only when they are "meaningful $5 and $10 offers. The $2 ones I think are questionable in their sales impact."

A Heck's merchandiser cited such basics as blenders to $40, toaster-ovens to $50 and stand mixers and food processors to $60 as strong sellers. Hot air popcorn makers around $25 were noted by a T.G. & Y. buyer as the only fad-type small appliance that has maintained sales strength.

Promotions featuring sharp prices for basic electrics that have drawn shoppers include can openers at $10 at A-Mart, irons at $10 at Gold Circle and drip coffeemakers at $20 at Nichols.

New and higher-priced electric housewares are being merchandised very gingerly by discounters.

Target has maintained its microwave oven business, a merchandiser reported, but noted that models in the $300 range were moving best, with most of the business coming from promotions. The discounter is offering two convection ovens to show shoppers it's into this category, but the merchandiser explained: "I think convections are where microwaves were five, six years ago. I really don't expect them to be a large market for discounters this year."

The greater demand for low- and mid-priced electrics, together with the need to promote more to generate sales, has forced a growing number of discounters to revamp their buying system to make electric housewares a more profitable area.

The key change for many discounters is stepped-up use of distributors. A Magic Mart executive explained: "The distributor program produces better inventory controls, so we can maintain sales on a lower investment."

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MEN'S & BOYS' WEAR

BOXSCORE

Men's & Boys' Wear

Discount Store Sales	$5.3 billion
Sales per Store	$682,210
Department Size	7,560 sq. ft.
Annual Sales per Sq. Ft.	$90
Annual Turns	3.7
Initial Markup	41%
Gross Margin	35%

Display Spurs Western Wear

Western wear, long a staple in Wal-Mart's men's wear departments, got added display emphasis at the chain's new Beldon, Mo., store, where the category is coordinated to promote a "total look". *(DSN photo)*

Western wear is not as wild a success as some men's and boys' wear buyers projected, as presentation seemed to take as strong a role in roping in sales as did the merchandise itself.

The cowboy craze turned out to be an off-and-on business overall, but was most visible in the dominant denim theme already in the stores.

Buying, which was marked only by cautious steps into trend areas, was instead boosted by a new emphasis on upgrading the presentation of basic items.

Even when buyers had opportunities for "buys," they often held back while manufacturers dealt hard to lighten heavier than usual stocks of in-season goods.

Basics filled the bill for the continuity theme buyers were after. Innovative or revamped merchandising strategies and fixtures targeted trade-up customers and created a more sophisticated shopping environment.

As in ladies' and girls' apparel categories, better quality construction and fabrication in cotton, wool and suede fabrics, for instance, were stressed for men's wear within this atmosphere.

Men's wear, long a well-developed category at Bradlees, got a facelift when unit sales started to recede. Dramatic displays were created to attract the young, free-spending shopper, a spokesman said. Plexiglas cubes and smoked Plexiglas divider walls were installed for a department-store look.

Gold Circle also did a variation on this theme and used Plexiglas and chrome cubes to display men's shirts.

Obtaining designer-label jeans was less important in men's than ladies' wear, but stocking national brands became very important, as did stocking better quality private label goods.

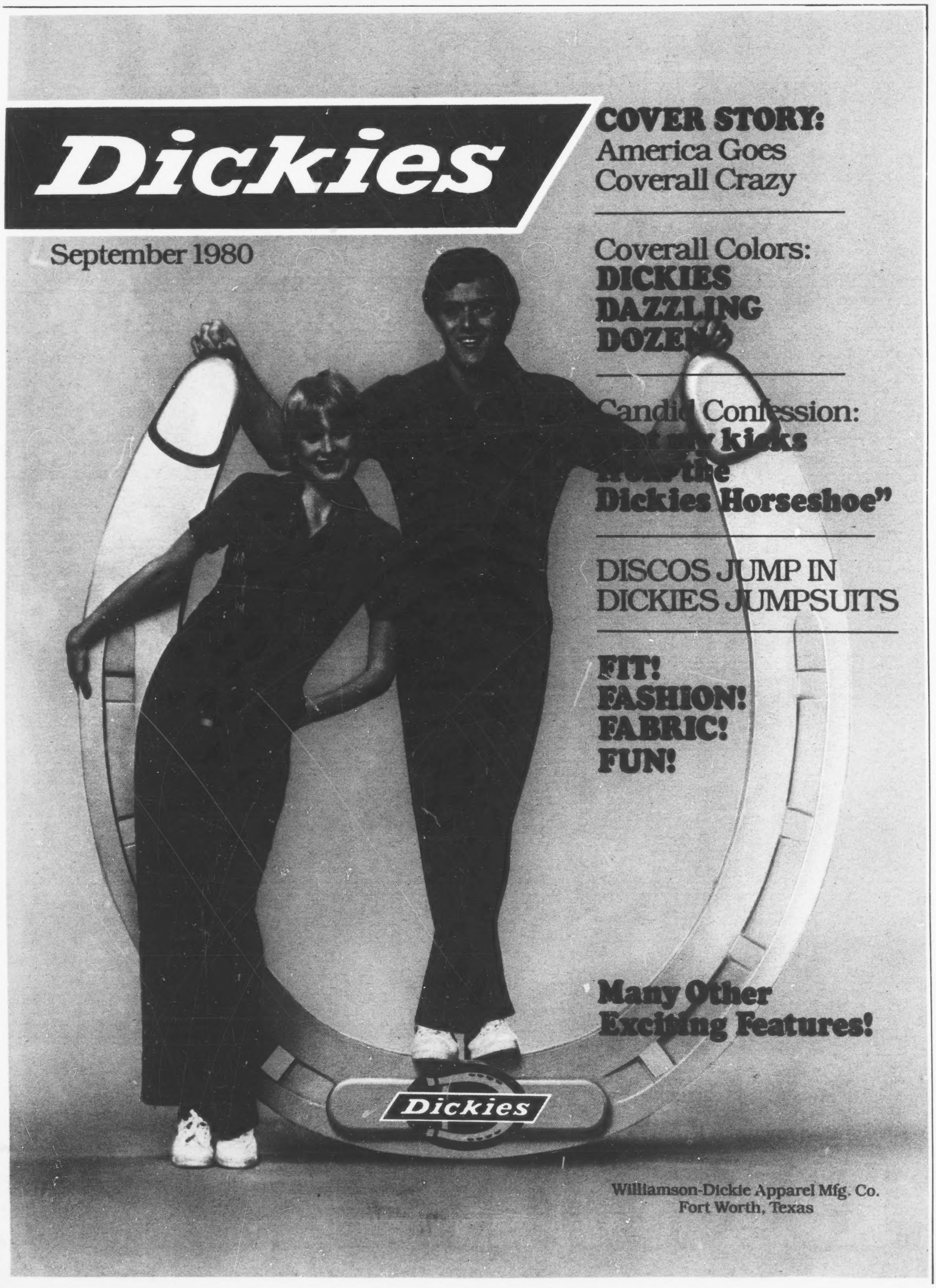
For instance, Bradlees made a special buy of Van Heusen, a line carried regularly by some discounters. In pants, 25% of men's jeans are Wranglers.

Inventory at Maxway, the new discount arm of Mack's variety stores, includes Arrow shirts. The chain also followed customer fashion dictates with a Western-motif section in the men's department.

Venture sectioned off an area for trend apparel under newly devised fashion photo signs reading "Way Out Western."

New replaced old at Roses, too, where contemporary T-bars and waterfall risers now take the place of display tables.

(Continued on page 119)



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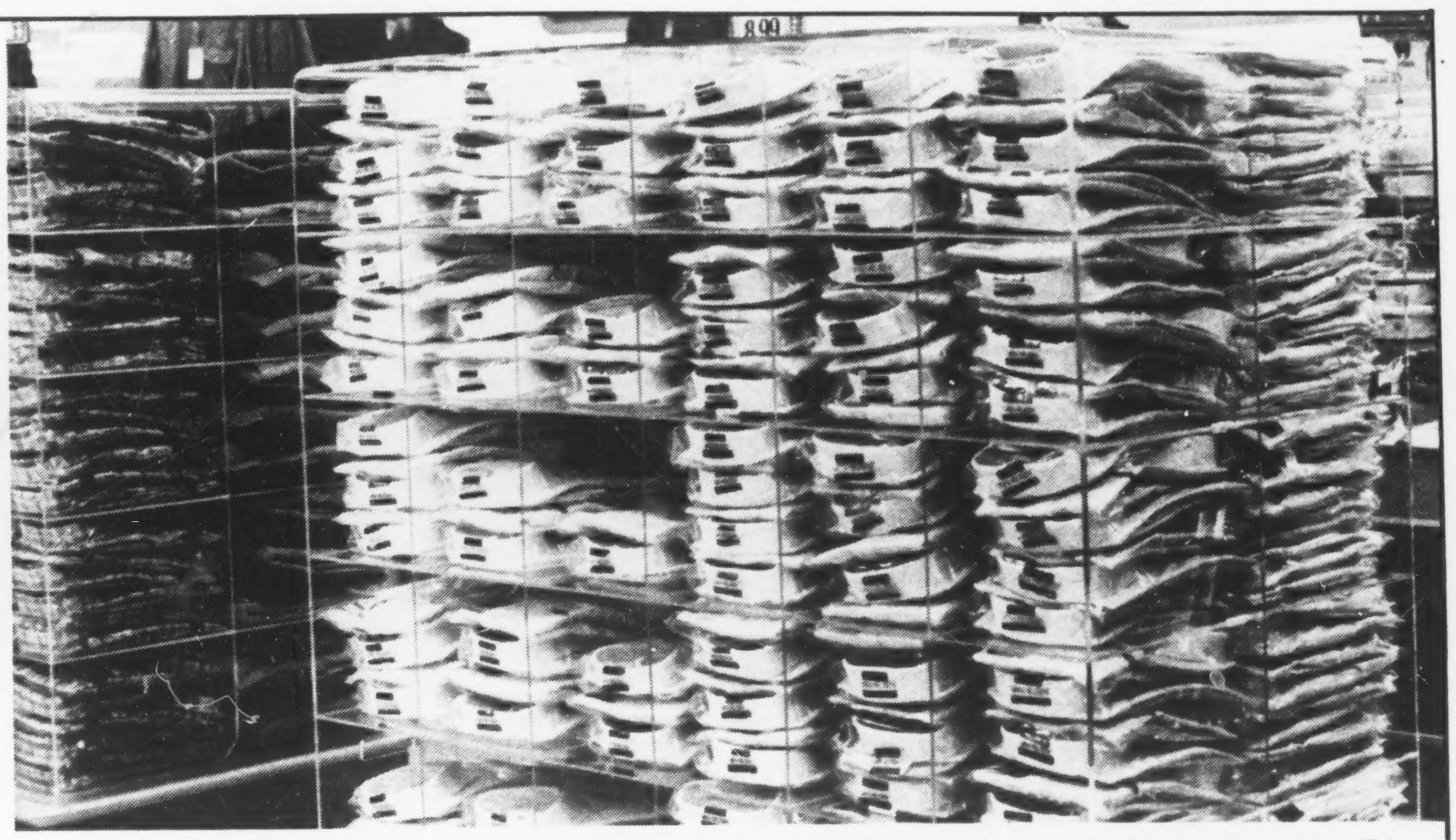
Dramatic Displays Aimed to Attract Free Spenders

Gold Circle uses fashion (Plexiglas) cubes along the aisle of the men's wear department in its Columbus, Ohio, store so that fabric and color grab customer attention. *(DSN photo)*



Men's wear buyers turn to better-quality basic merchandise and upgraded presentations. Displays like these Plexiglas boxes maximize the cube for Bradlees, Kingston, Mass. *(DSN photo)*

(Continued from page 118)

While basics in men's and boys' apparel are the rule at the family chain, updated presentation techniques are also at work here, to attract new customers and to keep the look of the department on a par with the better-quality, higher price point merchandise now in stock.

Personal Care

(Continued from page 88)

ness, a Zodys executive said, indicating the strength of all types of products geared to hair care.

The weak economy has made price more important than ever, a Jefferson merchandiser asserted. He attributed the comeback of hardhat dryers to the longer life of this product compared with styler/dryers, which makes these dryers a better value for consumers.

A Pamida merchandiser added that the use of rebates for personal care appliances is much greater as shoppers take advantage of the savings offered by manufacturers.

The huge number of rebates being offered for personal care appliances means that discounters will be relying heavily on personal care electrics as promotional goods.

Rebates, a Zodys merchandiser explained, allow the chain to promote an item at the sharp price it wants in an ad.

A Heck's merchandiser added that curling brushes lend themselves to promotions at other seasons besides Christmas. "We promoted them last month as a back-to-school item," he said.

While discounters are focusing on hair-care appliances as the bread-and-butter merchandise in personal care electrics, they are also including other items to present a complete—and more profitable—assortment.

A Gee Bee merchandiser explained that adding such specialty personal care items as heating pads and massagers in the fourth quarter expands the category's potential for gift giving use. The additional items often carry higher margins than hair-care items so that the increased offering produces more profits than just a basic mix.

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Discount Store Census '80/'81

HOUSEWARES

Nonstick Cookware Is the Hot Staple

(Continued from page 105)

units.

- Home decor. Zodys and Hills are prime examples of discounters that have combined modular furniture with such accessory items as pictures, frames and mirrors and even fringe goods such as artificial flowers to develop a home decor area.

Bradlees has followed a slightly different path by positioning lamps, a tight offering of KD goods and accessories adjacent to domestics so that the total presentation is a home furnishings area.

Heck's, on the other hand is trying to develop modular furniture as a growth classification within housewares. The discounter first bought KD merchandise for promotional use and is now experimenting with selected items as staple goods by spotting them adjacent to pictures and domestics to present a home decor look.

- Nonstick coated cookware. This is the hot staple housewares with customers preferring bulk goods and lower-priced sets due to the economy. A Jamesway merchandiser reported that the sales gains for traded-up, nonstick coated cookware were double those for regular cookware, and that open stock was the strong seller.

The growth in nonstick coated cookware has impacted sales of high-end stainless steel and aluminum cookware, a Magic Mart executive asserted. The discounter will concentrate its cookware efforts on nonstick coated goods priced to $40, rather than the regular uncoated stainless steel and aluminum sets that retail from roughly $50 to $54.

A Bi-Mart buyer added that customers are trading down from the regular cookware, but that many consumers started out with this merchandise before the traded-up, nonstick coated goods were available, and are continuing to add open-stock items. Discounters are locked into carrying this merchandise, he said.

- Corning Ware. Rangetoppers, the metal-clad Corning Ware line introduced earlier this year, and available only on the West Coast, has had a weak impact due to its high price and failure of the manufacturer to differentiate the merchandise from regular Corning Ware, discounters reported.

A G. C. Murphy merchandiser noted that regular Corning Ware has maintained steady sales gains due to the introduction of new items and the merchandise's position as a gift line for brides.

An A-Mart executive said that Corning Ware appealed to a different market than did metal cookware. Corning Ware movement has to be watched closely, he added, to avoid inventory build-ups for patterns that don't move.

- Microwave accessories. This is a sleeper category that is expected to get more play as the sale of microwave ovens continues to grow. The Murphy merchandiser said the discounter plans to step up its advertising of microwave accessories, including possibly running a promotion after Christmas geared to homemakers that received microwave ovens for Christmas.

The Magic Mart executive explained that shoppers generally consider microwave accessories as gift items so that the merchandise peaks at gift-giving time.

- Plastics. This is a strong area, particularly as promotional merchandise, a Matco merchandiser noted. Almond and chocolate are the key colors and more merchandise is being offered in these shades.
- Tabletop. This is a fashion area in which designs and patterns are important, and which has Corelle, Expressions and ironstone as the volume sellers.

Records & Tapes

(Continued from page 84)

ers, are country Western and long-time pop favorites like Jackson Brown, Michael Jackson and even Elton John.

Some dealers said they are optimistic the increasing popularity of nondisco music will lead a significant number of customers to high-ticket items.

Several buyers pointed to the recent success of "Urban Cowboy," which had been near the top of the charts for three months and retails for $15.98.

"It looks like we're going through a change in music, and that should be good for us," explained an executive with Lieberman Enterprises, which serves 1,400 stores, including many discounters.

Buyers said the record and tape market began going bad in June 1979, as inflation cut disposable income and the skyrocketing prices of petroleum-based vinyl pushed price points up to $7.98, and then to $8.98.

The most recent increases came several months ago, discounters said, when most major record producers tacked a 4% hike onto the wholesale cost without increasing the suggested retail price.

An ALCO official said most discounters apparently have absorbed the increase by reducing margins, but are starting to pass the increased cost onto customers.

Also contributing to the poor sales, they said, has been a lack of new releases from major stars and groups, and a rise in amateur pirating of music.

Another factor was disco, which swept the country by storm about four years ago, but never created the expected sales.

Nancy Krajewski, a buyer for the Wisconsin-based Copps chain, said many discounters thought disco would be much bigger than it turned out to be because of the initial success of "Saturday Night Fever."

Lieberman's Anthony Cornieo said the failure of disco was partly the fault of the promoters, who scheduled far fewer tours and media campaigns than they had for other kinds of music.

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Color and Style Set the Pace in Glassware

BOXSCORE

Glassware

• *Discount Store Sales*	*$385 million*
• *Sales per Store*	*$49,775*
• *Department Size*	*600 sq. ft.*
• *Annual Sales per Sq. Ft.*	*$83*
• *Annual Turns*	*4.2*
• *Initial Markup*	*42%*
• *Gross Margin*	*37%*

FedMart, Torrance, Calif., merchandises glassware as a housewares fashion category by spotting a gondola of prepacks and boxed glassware adjacent to giftware and home decor (rear wall). *(DSN photo)*

Fashion continues to be the major selling factor in glassware, with colors and styles reflecting trends in tabletop merchandise and in the tones that have become important in other housewares categories.

Pressures from the economy, however, have cracked fashion's domination—price and promotion are now coming to the fore.

A Danner's 3-D merchandiser summed up the situation by noting the discounter will rely heavily on 4-packs around $5 as featured merchandise to draw shoppers.

The importance of price as an indicator of value was noted by a Times Square Stores merchandiser who pointed to 24-pc. sets at $10-$12 as strong sellers all year, with sharp sales peaks evident in June just before the summer vacation and outdoor entertainment period and in October-November for Christmas partying.

The fashion interest remains strong, a Nichols executive added. Sales of higher priced bulk glasses and sets are only possible, he explained, using traded up domestic or imported merchandise in which clean lines and the newest colors are evident.

A Zodys merchandiser asserted that merchandising glassware as fashion ties in with consumers' interest in getting away from the sterile basic housewares look. It's part of the same trend that has boosted sales of all types of home decor merchandise, the merchandiser added.

Merchandising glassware as part of the lifestyle area that includes tabletop goods and other home decor merchandise has helped to boost glassware sales in the face of the weak economy, a Hills merchandiser said.

The Danner's 3-D merchandiser added that playing up fashion was an important element in promoting glassware. He explained that ads and displays have to make customers aware of how glassware relates to the total look a consumer wants in his or her home; price without this fashion factor won't generate the maximum response to a promotion.

Discounters' upbeat outlook for glassware in spite of the economy is reflected in industry sales, which should hit $385 million, a 10% increase.

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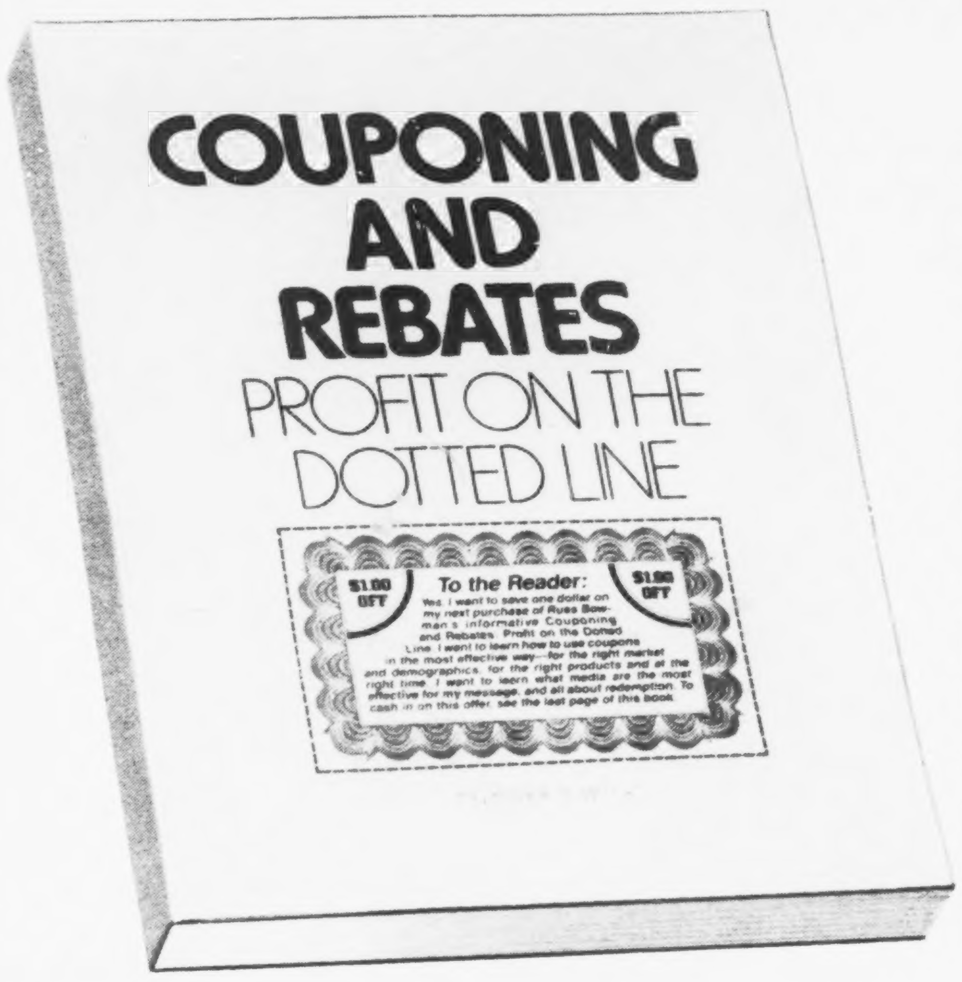

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Hills, Buffalo, N.Y., spotlights its growing skin care products category with this endcap display. The display leads a gondola run of nail and fragrance items. (DSN photo)

A handful of categories has given health and beauty aids a sales boost this year, winning extra shelf exposure and additional sku's at a time when buyers are trimming other merchandise areas.

H&BA also reaped rewards from discounters' promotional efforts as consumers grew increasingly price conscious in their purchases.

Home permanents were among the "boom categories" that received more space on discounters' shelves. The category grew this year as ammonia-free Rave, the industry leader, faced stiff competition from Gillette's Lightwaves (another ammonia-free soft perm). Other manufacturers will be entering the fray in the coming year.

Zodys, a division of Hartfield-Zodys, responded to the perm demand that "tripled and even quadrupled" sales this year by upping space allocation by 50% to 16 linear ft., said buyer Phil Lind. Fred Meyer's buyer Ellis Jones said a sales gain of 48% convinced him to expand the space allotment for perms from 7½ linear ft. to 10 linear ft. He expects a 40% gain next year.

Discounters who pursued the ethnic H&BA market this year found it to be one of the more lucrative in the business. R. L. Dillon, senior buyer at Woolco, reported that ethnic product sales doubled over the last year. At T.G. & Y., a distributor noted that ethnic H&BA sold at the rate of $88/linear ft./month in the first quarter of the year. The chain devotes 120 linear ft. to the category, he added. Later this year, the chain will be adding sections in more stores and possibly expanding the allotment in key stores, said buyer David Carroll.

Diet supplement and vitamin sales have grown as a result of new product entries and heightened consumer interest. This has prompted many chains to double the size of each section from 4 ft. to 8 ft. Wal-Mart's sales in this category rose 100% and the chain's buyer responded by tripling its space to 16 ft.

The popularity of skin treatments enjoyed by department stores in recent years has filtered to the discount level. Experts said its growth potential is secure, with the 35 to 44 age group expected to grow 42%.

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Scheduling Affects Detectives' Performance

By S. J. (Bob) Curtis

(Another in a regular series of articles on the prevention of pilferage by the former head of security of Lord & Taylor and J. L. Hudson. Mr. Curtis is a lecturer, consultant and author.)

Supervising Detectives: Part V (Conclusion)

Scheduling detectives is an art in itself. Some stores mistakenly think that July and August are such slow months of the year that it is best to give detectives their vacations in those two months. As a result, many discounters have thin floor coverage during two of the hardest-hit shoplifting months of the year.

Common sense doesn't always work in the field of store security. People don't seem to act the way we assume they'll act. We think, because we take our vacations in July and August, or because store traffic is slower during those two months, that shoplifting will be down. Not so.

After several years of careful study of shoplifting activity and case production we have found that July and August are top months for shoplifting thefts. Those are *not* the months to give detectives their vacations. It would be better if they took vacations in the spring or fall.

Why should July and August (particularly August) be periods of heavy shoplifting? We can't be sure of the reason but it is likely that the generation of positive ions in the air as a result of the city's heat is a major cause.

Crimes of violence, such as assault and murder, peak in August. Researchers have long associated the crime wave that hits public law enforcement people during the hottest months can be attributed to the generation of excessive positive ions in the air. The beneficial negative ions come around in the spring and early fall. They also follow gentle rains and cooler weather. The hot pavements and buildings of the city hold their heat after sunset during the summer and the cities never recover from this onslaught of heat which kills off the negative ions and leaves the air heavily ionized with harmful positive ions, day and night.

European scientists have for many years found a direct correlation between a high level of positive ions and high levels of crime. But, whatever the causes of increased shoplifting during July and August, the fact remains this *is* a critical period for store security.

Another critical period is the week following Christmas. Studies we did at the J. L. Hudson Company in Detroit showed consistently that more shoplifting apprehensions are made during the week following Christmas than in any other single week of the year. Yet some stores who add temporary detectives to their staff for the Christmas season often dismiss them shortly after Christmas. This is unwise. Hold them until after the first of the year. You'll have the case production to justify the added expense.

Store security directors are constantly seeking ways to increase the productivity of their floor detectives and one of the often overlooked ways to do so has to do with scheduling.

It is well recognized today that as a nation we are divided into two types of people in terms of our sleeping habits. Some of us are awake at the crack of dawn. At 6 in the morning we are eager to leap out of bed.

On the other hand many of us are as sluggish as a tired hound dog in the early morning hours. If we had our way we'd sleep until noon every day.

Now that first group, the early risers, are called "morning workers" and they are at their peak within a few minutes of waking up. Their energy and drive make them fireballs in the morning and early afternoon hours. By 3 in the afternoon, however, they start to run out of steam and by early evening they are yawning a bit and soon will be ready to hit the hay.

By contrast, those sluggards who love to cuddle in the soft warmth of their beds until noon are slow to get their juices running and don't know their own name much before 11 a.m. By 2:00 in the afternoon they are just beginning to hit their stride and by early evening they are reaching their peak of energy and drive that sustains them until midnight or long after. These are called "night workers" and when the morning workers are ready to hit the hay those night workers are just getting their second wind and are ready for partying, cleaning the house, or just plain hell raising.

Detective supervisors should talk with each floor detective about his or her sleeping habits, find out how much sleep the individual needs and whether the person is an early or late riser. Establish whether each detective is a "morning worker" or a "night worker." You can then effectively increase your shoplifting apprehensions by scheduling the early risers on your earlier work shifts and your late risers on the late-hour shifts.

At Hudson's we successfully increased detective case production by 38% with a simple scheduling change whereby we put early workers on the morning and afternoon shift and night workers on the noon to closing hour shift. You can make a similar improvement in your case production. A detective who is rested and energetic has the maximum ability to concentrate, and that's what detective production is all about.

It goes without saying that detective lunch and relief periods should be staggered so you have proper floor coverage at all times the store is open. When court appearances thin your staff, try to shift people so you have at least some floor security on hand.

When you can, try to schedule at least one detective to roam the selling floor a half hour before store opening and another one to remain on the selling floor for a half hour after closing. It is surprising how many shoplifting cases can be made during those periods. Customers leaving the store after closing are often tempted to shoplift because some of the overhead lights are off, casting shadows on the racks and counters. The floors are also fast being deserted by employees eager to get home. The potential thief feels safe and assumes the detectives (if any) have probably also left.

A similar situation exists shortly before store opening but in this instance it isn't customers who are a risk but the early working employees.

By using intelligence in assigning and in scheduling detectives the supervisor can stimulate the detective staff to higher levels of case production. Early and late workers will particularly respond to schedule changes that are more suitable to their sleeping and energy patterns. Try it, you'll like it!

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As Net Income %, Margins Drop

Smaller Chains Record Substantial Sales Gains

Nationwide DSN Report

Increasing promotion has reduced the average gross margin for small chains—those with volume under $100 million—by almost one-fifth from 29.6% to 24.1%, and brought downside pressure on their net income as a percentage of sales, down from 2.27% of sales to 1.9%.

But the tactic was successful in bringing substantial sales gains for the smaller chains, which last year had an average store volume of $4.3 million, up more than 50% from the previous year's $2.7 million.

In contrast to the smaller chains, those with volume in excess of $260 million have gained 19.2% in average sales volume per store (to $4,554,000 from $3,821,000), and midsized chains—those with volume between $100 million and $260 million—reported a 9.7% decline in the average, to $4,134,000 from $4,576,000 the previous year.

These are some of the findings in the National Mass Retailing Institute's 1979-80 study of 38 participating chains (2,376 stores) doing $10.1 billion in sales. The bulk of the information comes from 30 chains which have participated for two or more consecutive years, and which operate 2,019 stores. The same-store group generated 85% of the total sales of $10.1 billion.

The NMRI's 16th annual study, conducted by Cornell University, showed the overall net earnings to be 1.94% of sales, up slightly from the 1.92% recorded in the previous year. It was the fifth consecutive year in which the net percentage had increased since the 0.99% average reported in the 1974-75 study.

Continued improvement of the 38-chain group was evident in other operations areas as well.

Average store sales in 1979-80 rose to $4,432,000, from $3,968,000 reported for the previous fiscal period.

Average sales per square foot of selling space hit $96.83, compared with $84.21 in the 1978-79 period.

Middle-sized chains (those with $100 million to $260 million in volume) and large chains

(Continued on page 4)

THE OTHER KORVETTES
THE OTHER KORVETTES
THE OTHER KORVETTES

"The Other Korvettes" (Fifth Avenue store) was to position the chain for the 80's. All it did, critics charge, was to confuse customers and destroy the hard lines image that had been so successful in the past. *(DSN photo)*

Korvettes' Final Closing Expected by Year's End

NEW YORK—It's the last hurrah for Korvettes.

The discounter, in winding down its business after 23 years, was set at presstime to reopen 29 stores, with 14 to close by Christmas after holding going out of business sales. Promotional sales are to be held in the other 15 units, which will remain open until the leases are sold.

See Editorial, Page 6.

The end of Korvettes, perhaps coming as soon as the end of the year, is seen by some as the fulfillment of a plan by the discounter's last owner, Agache-Willot, by which the French company would make a minimum investment in the chain to keep it in operation until such time as the stores could be sold for maximum value.

The minimum investment in Korvettes worked out as a "dis-investment," said one former top executive who was let go in one of Agache-Willot's massive layoffs. He added that many experienced executives left the company after meeting the new French owners and seeing how they operated. "Agache-Willot's people ordered you to do things, but weren't interested in the problems that resulted."

The general consensus of a number of sources interviewed by DSN was that Agache-Willot's minimum investment effort centered on cutting expenses by letting people go and by sharply trimming invento-

(Continued on page 4)

Michael Sherman, vp, finance (l.) and Joseph Ris, chairman and ceo at a press conference they called to review the Schottenstein agreement. *(DSN photo)*

Buyers Forecast a Good Season For Energy-Saving Merchandise

By Iris Rosenberg
Nationwide DSN Report

Energy conservation is still a household word, according to buyers around the country who undeterred by a flailing economy at presstime were moving a full inventory of energy-related products onto the selling floor.

While few chains group the items together in anything resembling an energy department, hardware buyers are giving more shelf space to the category. Although, in the case of weather stripping, they noted that consumers seeking to save on summer air-conditioning bills have turned a seasonal line into a year-round seller.

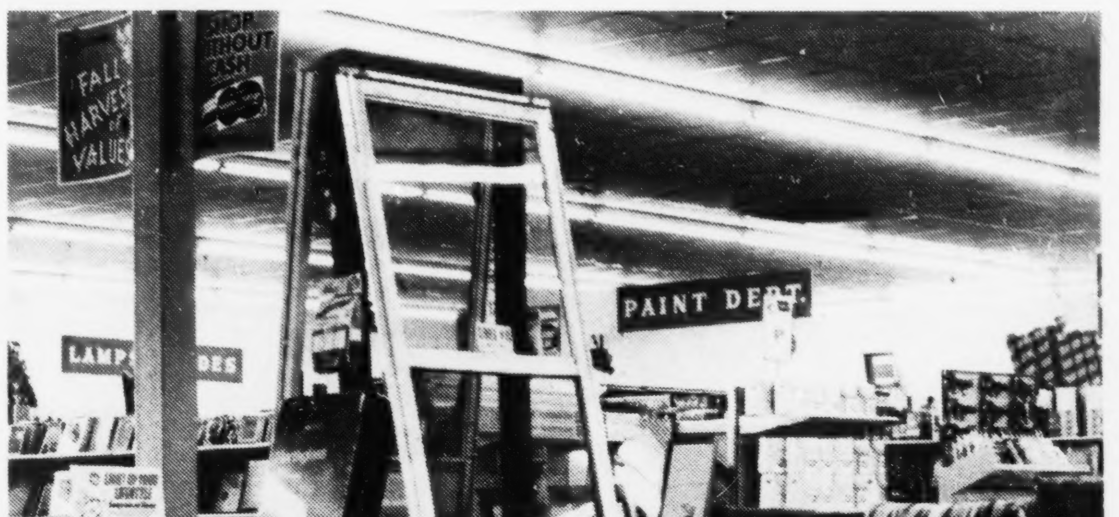
"As long as prices keep going up, people will try to find a way to save fuel and money," John Daugherty, Woolco's senior assistant buyer for home improvements, said, appraising the category's prospects.

The chain stocks weather stripping, caulks, insulation, set-back thermostats and the like, according to Daugherty, but stays away from fireplaces, wood-burning stoves and related equipment. In the tool department, wood-chopping needs are catered to with two mauls—a 3- and 5-lb. model—three axes and chain saws ranging from $69 to $250 (of which only 10% are electric).

The chain stays away from wood-chopping kits, log splitters—higher priced tools that D. C. Milner, chain hardware buyer, feels a Woolco customer would pass by. "We can't be all things to all people," he explained.

While lack of space or milder

(Continued on page 34)



S. E. Nichols tied a full assortment of energy-related products together earlier in the year and gave them center-stage treatment, here at the Greenville, N.C., store. *(DSN photo)*

Ohio Study: Rebates Have Most Appeal To Large, Young, Educated Families

KENT, Ohio—Rebates have the greatest appeal to younger, better educated, higher income and larger size families—the prime target of discount stores—according to a study of rebate use among consumers in three major Ohio cities.

These are the preliminary observations advanced by two university professors—Dr. Saeed Samiee of Kent State University and Dr. Roger L. Jenkins of the University of Tennessee—who conducted the pioneer study on the use of rebates among 480 families in Cleveland, Columbus and Cincinnati. At presstime, much of the raw data had not yet been analyzed.

The study also found that the lower the price of the item, the higher the rebates have to be.

While rebates have been extensively available in the marketplace for more than three years, only 39% of those surveyed said they had ever taken advantage of a rebate. Overall, both users and nonusers of rebates disliked having to fill out forms to obtain the money and said they felt manufacturers benefited more than they.

According to Samiee, the fact that only 39% of the re-

(Continued on page 34)

'Go Slow' Approach Rules Quartz Heater Market

Nationwide DSN Report

Discounters and catalogers are gingerly getting into the quartz heater business, with the "go slow" approach reflecting a generally weak heater market, the high price of quartz units and the unproven track record for this merchandise outside of the Northeast.

The one positive note for quartz heaters is a weakening of prices on the manufacturer level, resulting in discounters being offered goods at continuing lower prices.

A Heck's merchandiser said he hadn't yet placed any orders "because there isn't any bottom price." He cited Presto as the name brand manufacturer that has become sharply priced because of the downward pressure and noted that $45 to $50 could end up being Presto's retail tag.

Two different factors were pinpointed as the reasons for the price slide: The large number of manufacturers in the business—an increase from one last year to two dozen this year—has resulted in price declines as each producer tries to capture a share of the market, and a mild winter last year resulted in a large carryover of regular forced air heaters so that discounters and other retailers ordered fewer goods overall and were very conservative in purchases of quartz units.

Unit purchases of forced air heaters are projected to be 10% less than orders placed last year due to the carryover, a discounter said.

The downward move on quartz prices has resulted in discounters in the Northeast playing up sharp prices in the first ads that have broken. Bradlees, for example, tagged a quartz heater at $40 in the first ad featuring this item. Caldor was only $6 higher in its promotional effort.

One discounter said quartz heaters are a Northeast regional item and it would take about two years for the item to catch on nationally.

One manufacturer, Boekamp, *made* the domestic quartz heater market through its sales efforts in the Northeast, the only area with consistently strong demand. The units, which carried tags of more than $100, sold there as one solution to the individual heating needs of consumers who have to buy the highest priced electricity of any area in the country.

The demand for quartz heaters in the Northeast last year spurred other manufacturers looking for new products to produce units and this, in turn, sparked retailer interest.

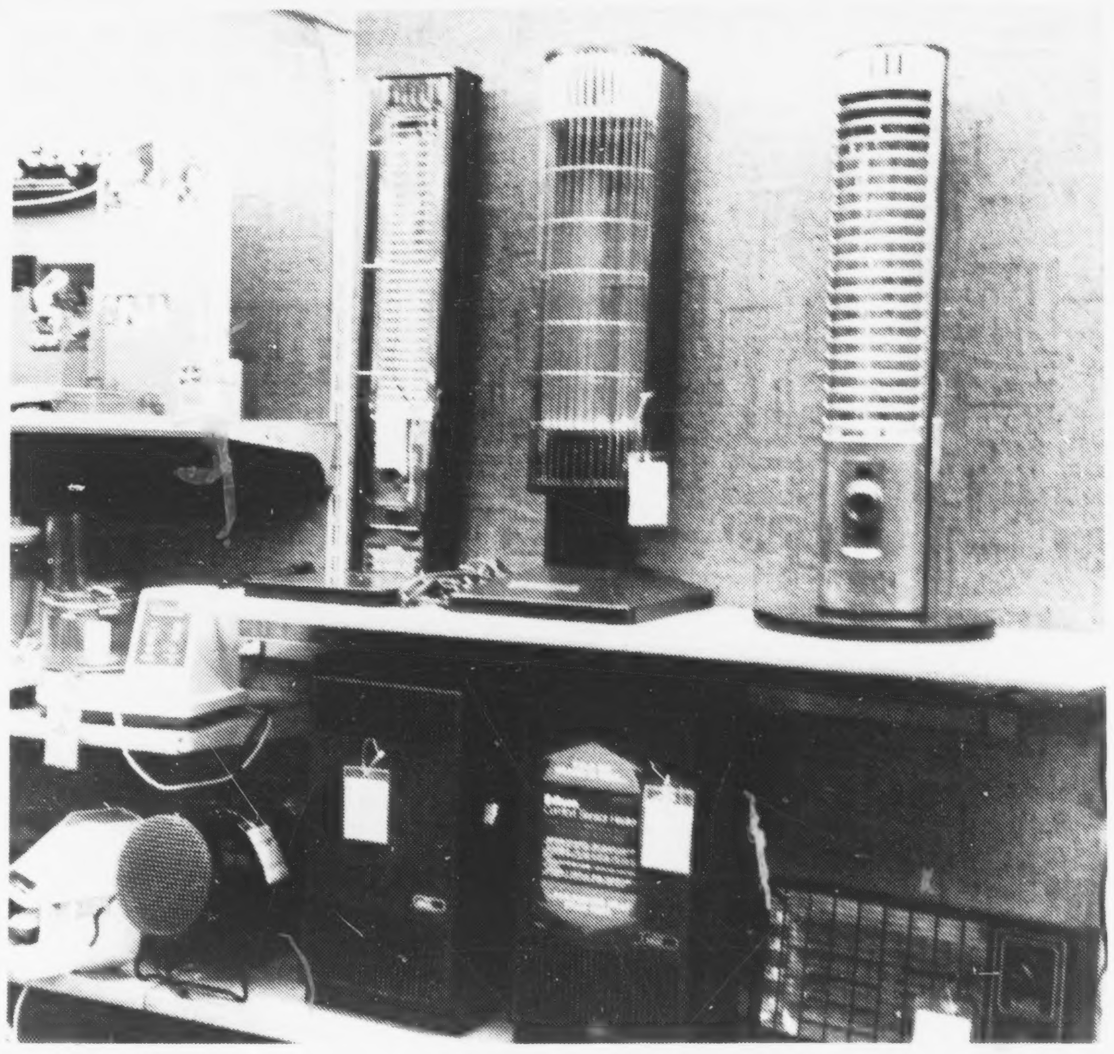
A Pamida merchandiser planned to test quartz heaters because of the publicity surrounding the unit, but was concerned about the high price turning off consumers.

Target was more optimistic about the unit. A merchandiser said the discounter would carry two models and would promote them because the market seems to be wide open.

One quartz heater was being added to the heater mix at both Jamesway and Fisher's Big Wheel. Merchandisers at both chains explained that they would buy goods from a distributor so that if the item doesn't sell the distributor would take back the merchandise.

A G.I. Joe merchandiser add-

(Continued on page 30)



Caldor, Yonkers, N.Y., plays up quartz heaters by displaying units on the top shelf, with forced air models below. The heaters are merchandised as the discounter's small electrics mix. *(DSN photo)*

Macks Opens Second Maxway's Unit in Virginia

BEDFORD, Va.—Macks, the variety store parent chain headquartered in Sanford, N.C., opened its second Maxway discount unit here last month.

Sales projections call for the unit to generate $4 million—$100 per square foot—during the first year of operation. These are the same first-year figures chain executives project for each the six discount stores they plan to open by the end of 1981.

In the case of the Bedford store, the figures may be a bit conservative for two reasons: First, the unit—a former W. T. Grant—is bigger, and second, it is located in a larger population center than is planned for future Maxways, said R. C. Dodson, Macks' director of advertising.

"The new store is basically the same as the first one, and we will continue to make all our stores look alike," he explained.

One slight departure from the prototype unit, built this spring in Sandersville, Ga., is a slightly larger sales floor: 41,000 sq. ft. in Bedford vs. 40,000 sq. ft. in Sandersville.

The extra space in the new store accommodates expanded soft lines—especially domestics—and H&BA categories.

With the Bedford store's size and location in mind, Dodson explained: "We expect sales to be greater at the Bedford store, but we aren't making any other projections. We think perhaps the Bedford store has more potential than the others."

He called the Grant takeover a unique opportunity for the chain, which will locate its discount stores in rural areas where each can be "the only store in town" of its kind.

"We think the Grant store was one of the stores K mart overlooked in their W. T. Grant buying sweep," Dodson said, adding that the Bedford site is roughly equidistant between two Virginia population centers, Lynchburg and Roanoke.

Five other sites, in Wadesboro, Warrenton and Hillsborough, N.C., and Chase City and Pearisburg, Va., have been signed already, and each will get a new store built from the ground up to prototype specifications.

A third discount store, in Wytheville, Va., was occupied Sept. 15 in preparation for a grand opening later this month.

(Continued on page 30)

Gears for Discount Fight

Ben Franklin Shifts Marketing Focus

CHICAGO—Ben Franklin, City's Products' franchise variety chain, has developed a new marketing package aimed at slicing out a special merchandising niche that will better position their stores against hard-hitting discount competition.

A consumer research study conducted in 1978 forced senior management to take a good look at the future of the company, at which time they decided, "we could not compete against the discounters as long as we had a little bit of everything in our stores."

Management targeted the "home accent" departments, focusing on upgrading and broadening the selection in wicker, crafts and artificial flowers. Under the home accent treatment, these departments are corralled into one store area.

A chain spokesman estimated that by year-end about 90% of the chain's 1,920 franchisees will have some variation of the home accent package.

Field coordinators are now working with store managers to evaluate each market and to judge the proper level of home accent mix. The program is optional.

Officials are hoping for an average 20% increase in sales per square foot in the first year of the program, banking these projections on their already strong customer recognition in home decor, and on the lack of national discount competition in this particular merchandise area.

To support this move toward market dominance in the home decor area, Ben Franklin buyers have largely expanded its warehouse product listing, as well as its drop-ship supplier listing from which stores order.

Altogether, 400 sku's were added to the warehouse listing, with the greatest increases made in five product lines: Over 100 sku's were added to the wicker line; 140 to soft crafts and yarns; 75 to hard crafts, and 90 to decorative frames.

As each line was expanded, higher price points and better quality items were introduced into the mix. This specialty approach is evident in the merchandise mix of one of the chain's first "home accent" store

(Continued on page 34)

Downgraded Image Draws Mexican Shoppers

JUAREZ, Mexico—When Futurama (SAISA) opened its doors in this border city abutting El Paso, Mexican shoppers were put off by the neat, upgraded appearance.

Customers were suspicious that the store's prices were inflated to reflect the physical image of the stores, according to Jorge Mares, general merchandise manager.

Consequently, the chain made some physical adjustments, such as replacing professionally made signs with the dozens of ceiling-hung, hand-lettered banners that now clutter the store, and deliberately taking gondolas out of their neat, straight runs.

As a result, business in the eight Futurama stores, ranging in size from 40,000 sq. ft. to 100,000 sq. ft. of selling space, rang up more than $60 million last year, Mares said. Approximately 6.5% of the sales translated into profit dollars, he indicated. The same eight units are expected to increase sales 35% for the current fiscal year ending in January.

Unlike its major competitor, FedMart, which has an El Paso unit, Futurama officials see their in-store supermarkets as adjuncts to their main line of business—mass merchandising. (Futurama also competes with K mart's El Paso, Tex., unit.)

Approximately 48% of Futurama's sales comes from the in-store supermarkets, which account for 33% of the total selling space in each unit. In supermarket sales, however, only 30% actually comes from

(Continued on page 26)

REGRESO ESCUELA
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The general merchandise area has a wide racetrack aisle that can accommodate the shopping carts which are used predominantly in the chain's supermarket area.

In This Issue

HEATING UP. Hardware buyers remain conservative but, with winter in the wings, they are making their seasonal statement with energy-saving and home-improvement items. (P. 12.)

BUYING TIME. Converting to electronic purchase ordering doesn't mean a major systems overhaul, according to the latest installment of the DSN-Touche Ross Discounter Management Development Series. (P. 17.)

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Vol. 19, No. 20 Oct. 6, 1980

Infant and Toddler Playclothes

Fred Meyer
ONE STOP SHOPPING CENTERS

Babies clothes have come a long way. Zip front jeans are taking space from pull-on pants, paving the way for more upgraded items as buyers examine the fashion potential of toddler and infant wear.

Toddler Wear Pursues Fashion Upgrade Trend

By Laura Mulcahy
Nationwide DSN Report

Like maternity and plus-size fashions, toddler wear is becoming more than a pull-on pants category for discount chains.

Spring 1981 may be the industry's turning point as buyers accustomed to stocking all-basics assortments are now shopping vendors for more fashionable items.

New will be brighter colors, more sophisticated fabrications and detailed stylings, as buyers move away from primary colors and conventional piece goods.

"Last year, jewel tones, fuschia, teal and jade hit the children's market. We're trying to pull that influence down to the toddler department," Marcy Zell, assistant buyer at Alexander's, the metropolitan New York chain, said. Upgradings that began last spring in the then predominantly basics toddler wear category have brought the fashion-to-basic item ratio up to 50%.

"A few years ago, no one heard of dressing a toddler in jeans. Now it's just a matter of the category catching up with the fashion movement," Zell said.

Catching up includes an industrywide effort to scale down older-age-group fashion trends. Coordinates and active-wear looks in better quality fabrics and new wovens, all in bright tones, offer toddler customers the same value and fashion appeal long available in children's, men's and women's categories.

Increases in the United States birthrate—slow but steady in the last several years—have buoyed buyers' innovativeness and spurred fashion commitments, along with sales and traffic, in their departments. The National Center for Health Statistics charts a 3%-and-rising increase for the first four months of this year, compared to the same period in 1979, when the birthrate for the

(Continued on page 34)

Chains Focus Shoplifting Security On Deterring, Rather Than Catching

By Bernard Cullen
Nationwide DSN Report

A wave of shoplifting, spurred in part by high inflation, is causing discounters to intensify their security operations and in the process to change the focus from catching shoplifters to merely deterring them.

In some cases security men are donning their badges for the first time to let customers know who they are. In many cases, loss-prevention personnel are training clerks and cashiers to spot the potential shoplifter and prevent the crime before it occurs.

In addition, many discounters are reporting big rises in the less costly problems of price-tag switching and fraudulent returns, and are beginning training programs to help clerks and cashiers combat these as well.

"The answer is to be preventive," explained a Woolco spokesman. "You don't want to catch someone and have to accuse."

Most discounters surveyed said the recent wave of shoplifting appears to have begun from eight to 10 months ago, with the problem worsening as the year progressed and the economy deteriorated.

Zayre, for example, reported 15,000 shoplifting incidents through August—an 18% increase over the identical period in 1979. For Nebraska-based Pamida, the increase has been 25% to 30%.

Ironically, the shoplifting boom seems to come after four years of industry gains in combating the problem.

According to a recent National Mass Retailing Institute study of 38 chains, stock shortage as a percentage of sales declined from 2.61 in the 1975-76 fiscal year to 2.09 in the 1979-80 year.

Although chains with sales ranging from $100 million to $260 million reported their stock shortage went from 2.49% to 2.79% of sales in the sampling.

One of the larger discount chains to begin a major program aimed at deterrence is Hills.

Starting last October two-hour training programs were begun that will be given to all employees three times per year.

The purpose of the programs, explained David Baldwin, Hills' director of loss prevention, is to explain the value of merchandise to cashiers so they will be more likely to spot items with switched price tags.

The program was begun after cashiers failed to question the unusually low prices that were appearing on an increasing number of items. In two instances, Baldwin said chain saws were sold for $7.97 and $9.87.

In addition, he noted Coleman coolers and bathroom hampers were becoming a favorite vehicle for shoplifters who filled them with high-ticket items and hoped that cashiers didn't check inside before ringing them up.

Apparently the program is working, with a rising number of misticketed items being discovered. Last month one such theft was averted when a newly trained cashier questioned the $7.28 price on an $89.98 electric sander.

Zayre has also begun a training program for its 22,000 em-

(Continued on page 4)

Zodys 3 Calif. Openings Bring Store Total to 41

LOS ANGELES—Zodys, the discount division of Hartfield-Zodys, will open three new stores this month—Stockton, Boyle Heights (Los Angeles) and Oxnard, Calif.—swelling its ranks to 41 units.

Future expansion plans call for the chain to add one more California unit in Upland and to open two stores in Phoenix, Ariz.—the chain's first venture into that market.

The chain also recently completed the remodeling and 20,000-sq.-ft. expansion of its Hollywood flagship.

New Moves

Arnold Suval, Zodys president, said the chain expects to make its first move out of California and into the Phoenix market with at least two stores, each 80,000 sq. ft., in the spring of 1981. A third Phoenix unit may be added before the end of next year.

Zodys, which reported sales of $305 million in the last completed fiscal year, is also expected to remodel five to six units in 1981, Suval said, noting that the chain's expansive remodeling program will be completed within the next 2 to 2½ years.

Hartfield-Zodys' officials project sales to reach about $440 million for the current fiscal year, with the Zodys division contributing an estimated $340 million.

Sales Estimated

Approximately 75% of the total corporate general merchandise sales are generated by the Zodys division. Within Zodys, 75.6%, or sales of $230.3 million during the last fiscal year, came from company-operated departments. Suval pointed out that this didn't include sales of the Karl's Shoe departments, which are owned by Hartfield-Zodys, and operated in the Zodys units.

Presently, Hartfield-Zodys has 450,000 sq. ft. of warehouse and distribution facilities, of which 300,000 is devoted to the Zodys units. However, "within the next couple of years," Ed Solomon, Hartfield-Zodys chairman and ceo, said, "the company will need more distribution facilities."

Preliminary estimates of earnings for the second quarter, which ended Aug. 1, were not "relatively good," Solomon said, but the numbers in the quarter are usually "relatively low." He pointed out that 85% of the company's earnings are realized in the last six months of the fiscal year.

Wal-Mart Leads Discounters' Aug. Sales List

Chain	1979	1980	Dollar gain	Percentage gain
Wal-Mart	$ 99,600,000	$ 139,000,000	$39,400,000	40.0%
T.G. & Y.	121,394,270	138,204,950	16,810,680	13.9
Zayre	112,798,000	124,403,000	11,605,000	10.3
K mart	939,791,000	1,029,894,000	90,103,000	9.6
Murphy's Mart	52,469,000	56,248,000	3,779,000	7.2
FedMart	74,450,000	78,873,000	4,423,000	5.9
Federated*	48,500,000	50,100,000	1,600,000	3.4
Venture	42,300,000	43,500,000	1,200,000	2.8
Vornado	61,639,000	49,856,000	(11,783,000)	(19.1)
J. C. Penney	892,000,000	930,000,000	38,000,000	4.4
Ward	404,481,000	403,710,000	(771,000)	(0.2)
Sears	1,471,308,222	1,455,802,003	(15,506,219)	(1.1)

**Figures are consolidated for Federated's discount stores; department store and supermarket sales are not included.*

August sales figures—coming at a time when Government economists were speculating that the end of the recession might be in sight—showed that many discounters continued to gain strength in a historically slow month. But, for the majority of industry leaders, gains hovered just above a no-growth level—still better, though, than results posted by the "Big Three," Sears, Wards and Penney.

Wal-Mart continued to show the better-than-30% increase which has become something of a norm for the Arkansas-based chain, and both T.G. & Y. and Zayre reported sales gains above the inflation mark. K mart, however, the industry leader in sales volume and units, posted only a 9.6% advance.

For Vornado, store closings only partially explain the 19.1% sales loss that was suffered suffered by the financially troubled chain during the 30-day period.

FTC Decision Could Untie Discounters From Warranty Bind

NEW YORK—The Federal Trade Commission is considering an NMRI request that manufacturers be required to print their warranties on product boxes—a move that would free discounters from having to maintain a warranty file in each store.

A favorable decision by the FTC would take more than a year to implement, but discounters said shifting the responsibility to manufacturers would save them thousands of dollars each year in wasted clerical time.

The request to change the procedure by which the public is given access to warranty information before the purchase of a product was made in late July by the NMRI, acting with the support of 17 major discounters who supplied statements from store managers attesting to the inadequacy of the present system.

Discounters have been required to keep warranty information, on all the products they carry, on display in each store since 1977 as a result of the passage of the Magnuson-Moss Warranty Act in 1975.

Kevin Shein, NMRI governmental affairs director, said the act was passed by Congress in an attempt to increase consumer awareness, but that it has failed to do so.

Shein and spokesmen for chains such as Zayre, Cook United and others said relatively few customers have asked to see the file before purchasing a product.

A spokesman for Cook United, for example, said the chain maintains a collection of guarantees and warranties in a binder in each of its 82 stores. A survey of managers indicated, however, that in 95% of the stores no one has ever looked at the binder.

For Zayre, which has more than 12,000 hard line products, maintaining the binder has also been difficult. A spokesman for the chain said binders must be maintained in each of the chain's 256 stores.

In addition, discounters said many of the binders in stores throughout the nation may be inaccurate because manufacturers seldom send them notification of changes in various products' warranties.

Rachael Miller, an FTC staff attorney, declined to comment on the possibility that the rules will be changed.

She said it is possible the NMRI petition will be dismissed, but that the FTC could also devise a plan to share the burden between retailers and manufacturers more fairly.

HARDWARE

Figures for these hardware PMA tables cover the 30-day period from July 15 to Aug. 15. They were supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio, and cover 600 stores, including 480 discounter stores in 35 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

ELECTRICAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	ST240R/S Flo St/Lit WH 2-40W-48"	700	19.60	13,720
2	WRW 240 FLO Wrap/Arn Fix 2-40 W-48"	300	33.11	9,933
3	DR 600C Lutron U L Rotary Dimmer	1,100	5.02	5,522
4	SL 1K Flor Shop Lite 40W-48"	175	18.81	3,291
5	DR 600 PC Lutr Ul Dimr Push on/off	447	6.13	2,740
6	P220 Manco ¾ x 66 Vinyl Elec Tape	1,608	1.44	2,315
7	206 6' Brown 18/2 Cord ext indoor	2,780	0.79	2,196
8	436-6' 14/3 Cord Air-Conditioner	795	2.71	2,154
9	3101 100' 16/2 RD Cord-ext Outdoor	140	14.84	2,077
10	4465/681 25' Trbl Lite Mtl Guard	216	9.45	2,041
11	4170/151-6-8½ Clamp on light	348	5.76	2,004
12	270-75' 16/3 RD Cord-Ext Outdoor	129	15.19	1,959
13	U100 Aliance Tena-Rotor Automatic	30	60.01	1,800
14	03791 ABCO 7C7 Nite Lite Clr 7W	2,220	0.79	1,753
15	DR 603PC Lut 3 Way DMR Push on/off	173	9.66	1,671

BLACK & DECKER

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	⅜ Drill v/s Rev-lock	437	27.94	12,210
2	71-055 Drill Guide	1,137	10.01	11,381
3	7127 ⅜ Var Speed Rev Drill	389	19.76	7,687
4	7404 Sander DBL/ins	362	18.78	6,798
5	7308 7¼ Circ Saw	137	32.05	3,391
6	7530 Jig Saw 2 speed	234	18.51	4,331
7	79-003 Workmate Single Htg	96	42.52	4,082
8	7204 ½ Drill DBL/Ins	148	27.57	4,080
9	7300 5½ Circ Saw	155	24.92	3,863
10	7504 Jig Saw DBL/Ins	323	11.72	3,786
11	7390 7¼ Deluxe Circ Saw	81	45.19	3,660
12	9330 Dust Buster	105	28.53	2,996
13	71-013 13 Pc H/S Drill Set	304	8.71	2,648
14	7580 Jig Saw Var/Speed	114	23.20	2,645

POWER TOOLS & ACCESSORIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Partner 14" Gas Chain Saw	51	225.79	11,515
2	Wen 10" Elec Chain Saw	188	60.43	11,361
3	Wen 7" Sander/Polisher	169	59.87	10,118
4	Partner 16" Gas Chain Saw	30	238.33	7,150
5	McGraw-Ed ½ Drill Press	57	109.78	6,257
6	Partner 12" Gas Chain Saw	37	145.50	5,384
7	McGraw-Ed ⅜ Drill Press	63	85.38	5,379
8	Wen 3" Belt Sander DBL/Ins	77	61.55	4,739
9	Weller 100/140 W Solder Gun Kit	179	24.22	4,335
10	Skil 7¼ 1¾ HP Circ Saw	53	73.61	3,901
11	Skil 6½" 1½ HP Circ Saw	52	67.48	3,509
12	Skil ⅜ Var/Rev Xtra Tool	43	79.77	3,430
13	Skil ⅜ Cordless Drill	99	32.00	3,168
14	USM Elec Glue Gun	305	9.47	2,888

HAND TOOLS & HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	TX9 Bernz Fuel Cyl	7,392	2.85	21,067
2	UL100 Bernz Propane Blow Torch	1,350	10.13	13,676
3	T50 Arrow Staple Gun Chrome	567	17.17	9,735
4	JT25 Bernz Torch Kit Plst Box	324	21.66	7,018
5	PL316 Stanley 16' Powerlock Tape	671	9.84	6,603
6	PL425 Stanley Tape 25' Powerlock	519	12.59	6,534
7	ET50 Arrow Elec Staple Gun	228	28.22	6,434
8	Ajax Home Rivet Tool	647	8.82	5,707
9	PL320 Stanley 20' Powerlock Tape	502	10.37	5,206
10	99 Stanley Utility Knife	1,896	2.67	5,062
11	Spitfire Brazing Torch	330	10.53	3,475
12	Stan Hammer 20-oz Rip Stl/Hdl	259	13.22	3,424
13	JT21 Arrow Staple Gun	358	8.80	3,150

(Continued on page 15)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Fix-up Products Head Fall's List Of Hot Sellers

By Don Petti
President
Stem Distributing

Consumer demand for fall fix-up products made its annual mark on the most recent (30-day period) product movement audit. While discounters responded with seasonally adjusted mixes and some stock building, the majority still chose to maintain a conservative inventory position.

In the home improvement category, a sign of the coming cold weather was the appearance of portable heaters—which ranked No. 1—and plastic interior storm windows on the list.

Another sought after seasonal item are gutter guards. More than 2,000 units sold during the 30-day period.

In the energy-saving category, nearly 1,400 interior storm windows were sold during the 30-day period to discounters who priced plastic panes in the $12 to $20-plus range (for a 38 in. x 64 in. sheet).

Twenty-six gallon garbage bags also continued to be extremely strong hardware department sellers (and a favorite discount store promotion) with fall cleanups triggering a 24% increase in unit movement over spring sales.

Other seasonal promotions, pushed PMA regulars to the top of the list. More than 8,000 units of Master's 1500D padlock—with a suggested retail of $3.19 that discounters promote for back to school—sold during the period making that item No. 1 in the hardware PMA.

In the Lawn & Garden listing, promotional lawn rakes ($2.45 suggested retail) accounted for the bulk of the sales and the unit movement, and in plumbing All American's white wood toilet seat headed the list with more than a thousand units sold during the 30-day period.

In power tools, buyers met consumer demand with step-up grades, particularly in seasonal favorites.

Other popular power tools

(Continued on page 15)

Caldor's Earnings Up 14% For Half

NORWALK, Conn.—Caldor reported earnings for the first half of 1980 at $5,803,191—a rise of 13.7% from the first half of 1979.

For the second quarter of the year the company reported a 14.8% increase in earnings totaling $4,351,161, up from the $3,790,170 reported for the second quarter of last year.

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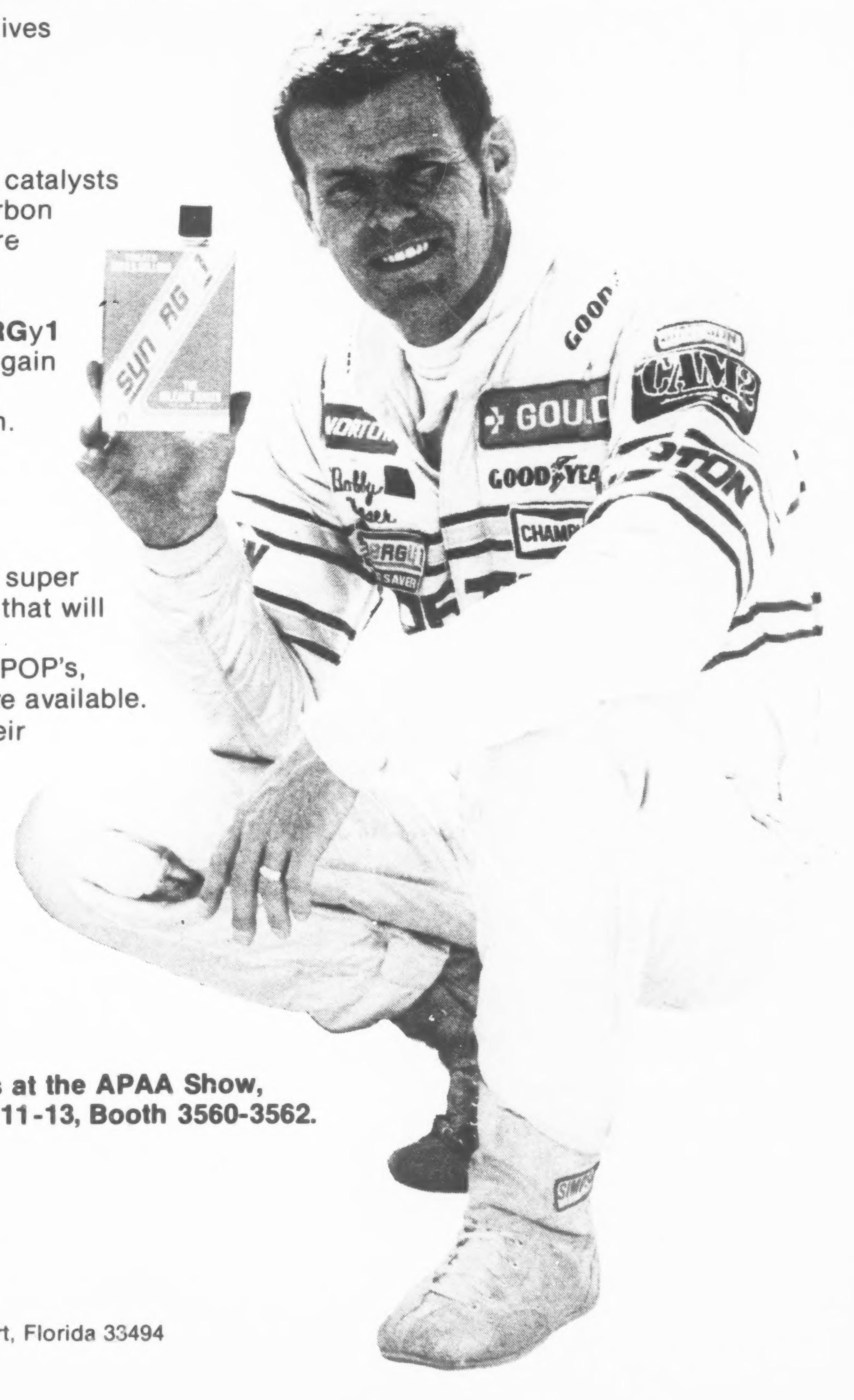

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PMA®

PRODUCT MOVEMENT AUDIT

Fix-up Products

(Continued from page 12)

were McGraw Edison's ½-in. and ⅜-in. drill press and two Wen sander/polisher's—a 7-in. and 3-in. model.

In paint accessories, WD 40 continued to hold the top spot but promotional paint and brush sets and drop cloths were replaced by caulks and sealants.

Thompson's 1-gal. water seal ranked second with 904 gal. moved during the period and Macco's and Penco's acrylic latex caulk—as well as GE's 3-oz. clear seal—moved into the top listings.

A newcomer to the paint PMA was Formby's Introduction to Refinishing which was a featured item in some discounter fall tabs. Otherwise, positions remained fairly consistent with Rustoleum's 13-oz. gloss white and black holding onto their top positions.

Doorlocks regained some of the strength lost in the last PMA listing. On almost an item for item basis, while other nonlock items listed in the hardware PMA also showed increased unit movement.

In plumbing, sump pumps held three of the 10 places, with discounters favoring cast iron to plastic (with little difference in the price spread).

In plumbing, sump pumps held three of the top 10 places. Other category best sellers were U-Plumb's toilet tank repair kit with 1,068 units moving; U-Plumb's P-trap, 504 units, and J-Bend, 588 units—all continued evidence that homeowners are doing repair projects themselves.

HARDWARE

(Continued from page 12)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
14	Mays/EV48 GR NK 48″ Level	286	10.67	3,052
15	84460 Park Bx-1-Tray 19″ Red	234	12.99	3,040

HARDWARE & HOME IMPROVEMENT

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	730 Perfection Portable Heater	1,296	43.75	56,700
2	G2480 Garbage Bag HD 26 gal/20	14,088	2.42	34,093
3	Bkit Plask Insider Storm 38x64	640	23.87	15,277
4	2′x4′ x ⅛ Pegboard	8,000	1.51	12,080
5	6′ Wood Stepladder Special	436	25.69	11,201
6	5′ Wood Stepladder Special	318	22.26	7,079
7	6′ Aluminum Stepladder—Household	159	38.73	6,158
8	CKit Plask Insider Storm 24x36	410	12.76	5,232
9	GPC DieMesh Gutter Guard 6″x25′	2,124	2.45	5,204
10	40061-36-9 Peer Chain Twlp 2/0	73	54.36	3,968
11	Clear Vinyl Runner 27x125	32	115.87	3,708
12	40302-36-1 Peer Chain Prf ¼	25	136.38	3,410
13	40301-36-9 Peer Chain Pr 3/16	30	108.03	3,241
14	36′/736 Screen Wire Alum 7′	748	4.29	3,209
15	32x42 Plaskolite 100 Clear Plas	230	12.11	2,785

PAINT ACCESSORIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	WD 40 Rust Prevent 9 oz	7,908	2.15	17,002
2	Thompson Water Seal 1 Gal	904	12.27	11,092
3	E2 4 pc Brush set	3,492	1.94	6,774
4	Viking Caulking Gun 101B	3,156	1.98	6,249
5	Strypee Paste Pt-Remover 1 Gal	548	10.52	5,765
6	E2 4″ Promo Brush	1,824	3.15	5,746
7	White Macco Acrylic Lty Caulk	2,448	1.98	4,847
8	WD 40 Multi Use Lube 12 oz	1,740	2.61	4,541
9	Masking Tape ¾x60	6,480	0.70	4,536
10	Masking Tape 1″	2,844	1.44	4,095
11	Strypee Paste Pt-Remover 1 qt	1,158	3.50	4,053
12	Masking Tape 1½	1,752	2.14	3,749
13	Penco Acrylic Latex Caulk	2,520	1.44	3,629
14	Shur-Caulk Penco White Compound	5,784	0.61	3,528
15	GE Clear Seal 302	1,330	2.61	3,471

PAINT

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Formby Intro to Refinish	504	11.96	6,028
2	13 oz Rust Gloss White	1,092	3.15	3,440
3	13 oz Rust Gloss Black	1,092	3.15	3,440
4	Qt Rust Gloss White	612	5.21	3,189
5	13 oz Borden Krylon Gloss Bl	1,212	2.54	3,078
6	Formby 16 oz Furniture Refinish	504	5.13	2,586
7	88 Defthane Clr Gloss	140	18.28	2,559
8	Qt Rust Gloss Black	456	5.21	2,376
9	13 oz Rust Matte Black	726	3.15	2,287
10	Formby 32 oz Furniture Refinish	234	9.41	2,202
11	62 Deft Clear Semi Gloss	354	5.86	2,074
12	13 oz Rust Red Primer	654	3.15	2,060
13	92 Defthane Clr Satin Gal	112	18.28	2,047
14	Qt Rust Red Primer	366	5.21	1,907
15	Pt Rust Gloss White	588	3.22	1,893

LAWN & GARDEN

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Keller Leaf/Lawn Rakes	7,448	2.45	18,248
2	A/Biltrite ⅝x50 Rein Vinyl	852	6.51	5,546
3	Tempr Springback Leaf Rake	444	6.51	2,890
4	Melnor Gun Hose Nozzle	1,060	2.64	2,798
5	Marvin Galv Screen 18x22	684	3.65	2,497
6	Allen Clothes Dryer-Outside	72	30.16	2,172
7	Melnor 3-Arm Revolving Sprinkler	288	7.31	2,105
8	Marvin Galv-Screen 24x24	468	4.24	1,984
9	Vil/Blk Tree Pruner W/Saw	120	15.49	1,858
10	Marvin Galv Screen 15x20	600	3.04	1,824

HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1500D Master Padlock Comb	8,294	3.24	26,873
2	LW1 Yale Entrance Lockset BX	1,350	13.00	17,550
3	Stormking Door Closer	1,450	5.39	7,815
4	SK600 Security Knob Latch	1,040	6.27	6,521
5	SK125 Sec Adjust Hyd Door Clos	750	7.64	5,730
6	SK15 Sec Storm Dr Latch w/o Lo	900	6.27	5,643
7	SK85 Sec Adjust Door Clos	960	5.15	4,944
8	V80 Yale Tumbler Spring Catch	421	9.14	3,848
9	SK355 Sec Adjust Door Clos	500	7.65	3,825
10	Taylor Night Latch A800 CG	599	6.11	3,660
11	1-1 Galv S/City Rural mail box	637	5.48	3,491
12	3D Master Padlock Tumbler	695	4.94	3,433
13	Yale DBL Deadbolt V3221A	117	28.28	3,309
14	16D Common Nails 1 lb Box	3,400	0.93	3,162
15	LW32 Yale Entry Lock Keyed	120	26.25	3,150

PLUMBING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	88TM White Al/Amer Wood Toilet Seat	1,023	8.05	8,235
2	560 U-Plm Toil Tank Repair Kit	1,068	6.30	6,728
3	SC3000 Flo-Cast Iron Pump Sub	49	110.81	5,430
4	760 U-Plm P-Trap 1¼ Bathroom	504	7.02	3,538
5	20019 Oatey 50/50 Solder 1 lb	305	10.47	3,193
6	PB3600 Flo Bronze Pump Pedistal	27	115.06	3,107
7	767 U-Plm J-Bend 1½ Chrome	588	5.27	3,098
8	SM3000 Flo-Plast Pump Submbl	29	102.34	2,968
9	DMP 21 HK Flotec Drill Pump Kit	400	7.07	2,828
10	FRD 60 Manco Fire Guard Duct Tape	624	4.48	2,796
11	B100 Manco Duct Tape 2′x10 Yd	1,920	1.33	2,554
12	761 U-Pim P-Trap 1½ Kitchen	294	8.35	2,455
13	PM 3600 Flo-Plast Pump Pedistal	33	72.49	2,392
14	766 U-Plm J-Bend 1¼ Chrome	486	4.80	2,333
15	564 U-Plm Toilet Ballcock Complete	480	4.83	2,318

Dewar to Address Annual NRMA Conference

LOS ANGELES—Robert Dewar, chairman of K mart's executive and finance committees, will make the keynote address at the 22nd annual data processing and retail systems conference held by the National Retail Merchants Association Oct. 19-22 at the Marriott Hotel in Los Angeles.

The 60 different sessions include case studies involving a number of discounters.

Zayre's efforts to improve relations with uses of its data processing system will be the topic of a session Oct. 22 from 1:45 p.m. to 3 p.m. Zayre executives participating are Mervyn Weich, senior vice president of systems and technical services: William Harmon, manager of business systems interface; Arthur Loewy, senior vp, finance, and Stepher Wener, vice president merchandising.

Woolworth's use of computer graphics and communications technology to distribute store forms and other communications will be detailed by a company executive on Oct. 20 from 3:45 p.m. to 5 p.m.

Procession of fashion apparel through a distribution center will be discussed by Lee Paulson, vp management information systems for Lucky Stores, parent of Gemco/Memco, on Oct. 21 from 10:45 a.m. to noon.

Delegates to the conference can register through NRMA's information systems division at 100 West 31st St., New York, N.Y. 10001. Fees for NRMA members range from $135 for one day to $265 for the full conference.

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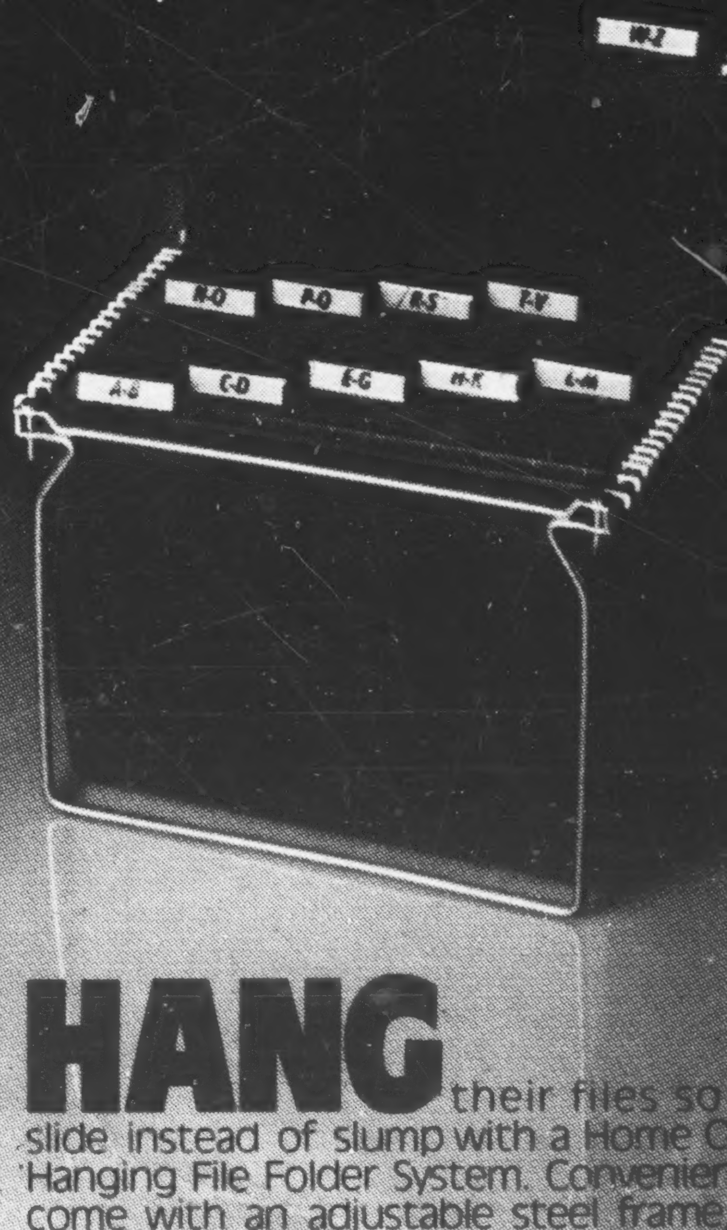
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Discount Store News

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PRODUCT MOVEMENT AUDIT

Fishing Gear, Ammunition Lead List

By DON PETTI
President
Stem Distributors

Fishing rods and reels made a particularly strong showing in the most recent Stem Distributing product movement audit, with ammunition not far behind indicating that discounters stocked up in anticipation of the fall hunting season.

Encouragingly, the PMA shows preliminary signs of a general upswing in business as discounters once again opened up the pipeline and began to rebuild their depleted inventories.

True, retail-dollar movement and unit movement totals were off substantially from what they were last year at this time. For example, only one listed item produced more than $10,000 in retail sales, while last year there were four.

Coleman's gallon can of Champion camping fuel sold 5,267 units, generating retail sales estimated at $20,018.

Nevertheless, there was a sales burst during the closing end of the period that included heavy movement of camping equipment, basketballs and items like the Hoppe shotgun cleaning kit, in addition to fishing and hunting equipment.

The rod and reel making the biggest gain was the Zebco 33 reel with the 3366 rod, with a total of 162 units moved. A year ago only 90 of the units were sold into discount stores.

Smaller gains were reported with both the top of the line—Zebco's 808 reel with the 8965 rod—and with the less expensive Zebco rods and reels.

The reluctance of discounters to maintain normal inventory levels and to advertise as much as they had last year began to make itself felt in April and was a major factor in the slowdown.

One previously popular product that was hard hit by the advertising decline was Remington's .22 cal. Thunderbolt ammunition.

Last year, during a similar period, the item moved 6,300 units. This year, though, only 2,200 units were sold.

Substantial price increases in Coleman equipment over the last two years—and in the last year in particular—also hurt sales.

A Coleman two-burner stove, for example, carrying an average retail price of $24.40, reflected a 29% increase over last year's price, which translated into a drop in unit sales.

Propane fuel came in second on the list of Coleman best-sellers, with a total of 1,740 units moved.

Fire extinguishers also performed reasonably well. The best retail dollar producer was a Kidde Fireaway extinguisher, carrying an average price ticket of $22, although it was Kidde's low-end $8.64 model that produced the greatest unit volume.

SPORTING GOODS

Figures for these sporting goods PMA tables cover the 30-day period from July 15 to Aug. 15. They were supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio, and cover 600 stores, including 480 discounter stores in 35 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

AMMUNITION

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Remington 22 Cal 100 Pk LR Ammo	2,700	3.28	8,856.00
2	Remington Dove Load S/G Shell	1,100	5.36	5,896.00
3	Remington 22 LR Ammo Thunderbolt	2,200	1.46	3,212.00
4	Remington Shot Shell (DQ20-8)	480	4.91	2,356.80
5	Yeldm Remington Clay Target Yellowdome	377	6.00	2,262.00
6	Remington Shot Shell (RS12-6)	420	5.36	2,251.20
7	Rem Stud./Velocity 22 LR	1,300	1.65	2,145.00
8	6 Rem 3 in Express Shell	340	6.28	2,135.20
9	Rem H/S 22 LR 40 GRS	1,200	1.65	1,980.00
10	Rem 2¾ Express Shell	260	7.61	1,978.60
11	Rem H/S 22 Short	1,300	1.46	1,898.00
12	Rem H/S 22 Long 29 GRS	1,100	1.54	1,694.00
13	½ Rem 3 in Exp Shell	260	6.28	1,632.80
14	DQ16-8 Rem Shot Shell	300	5.33	1,599.00
15	Rem LR Shot Rim Fire	450	3.36	1,512.00
16	Rem 0.25 Auto 6.35 MM Pistol	165	9.44	1,557.60
17	DP 12-6 Rem Shot Shell	220	6.70	1,474.00
18	Rem 0.38 Special 158 GR	143	10.20	1,458.60
19	45 AP Rem 0.45 Auto	96	14.78	1,418.88
20	MAG 5 Rem Shot Shell 2¾" 20	140	9.90	1,386.00

FISHING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Zebco Combo 33 Reel with 3366 Rod	162	28.74	4,655.88
2	Zebco Combo 404 Reel with 4040 Rod	292	13.74	4,012.08
3	Zebco Combo 202 Reel with 2023 Rod	388	8.70	3,375.60
4	Zebco Combo 600 Reel with 4060 Rod	227	14.71	3,339.17
5	Zebco Combo US76/4077 Rod/Lure	240	13.45	3,228.00
6	Zebco Combo 808 Reel with 8965 Rod	93	33.54	3,119.22
7	Diawa S/Cast Combo PMC	86	25.80	2,218.80
8	Diawa Spin Combo PMC	43	34.18	1,469.74
9	Diawa Mini Spin Combo	32	38.33	1,226.56
10	Zebco Jr. Spincast Rod/Reel	68	14.62	994.16

COLEMAN PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Champion Gal Camping Fuel	5,268	3.80	20,018.40
2	Cole 16.402 Propane Fuel	1,740	2.97	5,167.80
3	Cole 2 Burner Stove (4 25E 499)	157	31.47	4,940.79
4	Cole 21A Silk Mantle	8,000	0.53	4,240.00
5	Cole 1 Gal. Jug	391	9.43	3,687.13
6	Cole 2 Burner Stove (413G 499)	80	41.23	3,298.40
7	Cole Dble Mantle Lantern	104	30.19	3,139.76
8	Cole 2 Gal Jug	226	12.44	2,811.44
9	Coleman Lantern 275-710	50	34.03	1,701.50
10	Cole Clear Globe for 220	582	2.37	1,379.34
11	Cole Oscar Cooler 4 gal	88	13.74	1,209.12
12	Cole 44 qt Cooler	33	34.69	1,144.77
13	Cole Globe f/275-5114 Lantern	306	3.17	970.02
14	Cole Cooler 56 qt	21	40.58	852.18
15	Cole Propane Lantern	30	22.90	687.00
16	Cole Propane Heat 2-5 Btu	12	54.26	651.12
17	Cole Case f/220-275 Lantern	52	11.11	577.72
18	Cole Lantern Generator 220	276	1.94	535.44
19	Cole Lantern Accessory Kit	132	3.09	407.88
20	Cole Alum High Stan	31	12.83	397.73

MISCELLANEOUS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Hoppe Shotgun Cleaning Kit	708	5.23	3,702.84
2	Spalding M. Johnson Basketball	156	13.83	2,157.48
3	Kidde Fireaway Extinguisher	72	22.08	1,589.76
4	Ash Disposable Flashlite	1,344	1.14	1,532.16
5	Cross 177 Pellet Disposable	1,746	0.86	1,501.56
6	Fire Control Fire Extinguisher	150	9.03	1,354.50
7	Kidde Fireway Extinguisher (1A1OBC)	109	12.33	1,343.97
8	Ash Flashlight Comb. w/2 D 2C Battery	504	2.62	1,320.48
9	Kidde Fireaway Extinguisher (101 BC)	152	8.64	1,313.28

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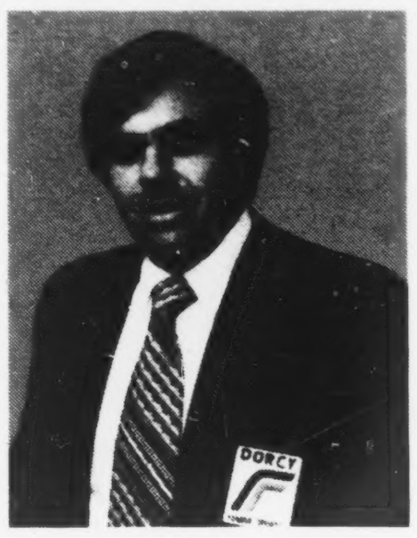

JULY
DOLLAR DAYS
#6611—120-pc. "Your Choice" Asst. Flashlight Dump.
99¢ retail

AUG
BACK TO SCHOOL
#3131—Compact All-Purpose Flashlight w/2 "C" batteries
$1.19 retail

SEPT
LABOR DAY SPECIAL
#3112—Heavy duty Power Lantern w/2 "D" batteries
$1.99 retail

OCT
HALLOWEEN SPECIAL
#6657—120-pc/60-pc each of #257 and #357 flashlights dump
99¢ retail

NOV
AUTO SAFETY
#7115—Compact Searchlight Lantern with super size flasher. 4 "D" batteries
$6.99 retail

DEC
HOLIDAY GIFTS
#1076—One Fluorescent Lantern at regular price gets you two free disposable flashlights
$13.99 retail

JAN
NEW—FOR THE NEW YEAR
#3547—New Disposable Flashlight Blister-Packed great as a Traffic Builder.
99¢ retail

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PRESIDENTS' DAY SALES
#7886—"Power House" Lantern and Battery, in award-winning packaging.
$3.99 retail

MARCH
SPRING CLEANING DAYS
#3073—Brighten up dusty rooms w/Cordless Light Fixture.
$1.99 retail

APRIL
THE FISH ARE BITING
#3348—This Waterproof Flashlight will float for Fisherman. Touch Pak.
$2.09 retail

MAY
CAMPING SEASON
#16—Portable Lamp is #1 in camper's eyes.
$3.99 retail

JUNE
FATHER'S DAY SPECIAL
#1028—Fluorescent Lantern is a big hit with Dad.
$9.99 retail

ROGER STAUBACH, former football great with the Dallas Cowboys and Dorcy spokesman.

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Chains Up Promos, Cut Costs in Depressed States

Nationwide DSN Report

From Pennsylvania to Wisconsin, Industrial Belt discounters are continuing to sacrifice margins and accelerate promotional activity as the economy, soaring unemployment and tight consumer spending go on wreaking havoc with their sales.

To try to hold their own, chain execs have taken a magnifying glass to operating costs, particularly payroll, inventory and store maintenance expenses.

"When adversity strikes, you become a better manager," said Robert Schroeder, president of Prange-Way in Wisconsin. When sales began to flag in May, the chain instituted a cost-cutting study that resulted in policies primarily aimed at shaving store personnel expenses.

A freeze on hiring was imposed, as well as a reduction of store employee hours. Where feasible, store hours were reduced a half hour in the morning and another half hour in the evening.

As part of the cost-cutting study, all gratuitous customer services were examined. As a result of that study, one measure the chain took was to charge customers $5 for checks sent back for insufficient funds.

Prange-Way's inventory quantities were honed, noted Schroeder, to quicken turnover and strengthen basic stocks. The chain's turnover received an extra push from an aggressive promotional program. Advertising dollars were increased 7%-8% in May, 10% in June, and another 10% in both August and September in preparation for a competitive back-to-school period.

But, margins were hurt, falling as much as one percentage point during this period, said Schroeder. "This fall we plan to gain those margins back. Although we had the same advertising increases in September, we didn't put the dollars into so many low-margin items."

As a result of the chain's cost-cutting policies, it was able to exceed its initial goal of a 10.9% reduction in operating costs, said Schroeder. "We got ourselves into shape, but the sales activity never came back. We're hopeful that sales will be good for the remainder of the year."

Rink's, based in Ohio, was another Industrial Belt chain that began an elaborate cost-cutting examination at the onset of the sales downturn. The chain has held to its position of maintaining gross margins and stabilizing its promotional activity. It hasn't been easy. "We've been getting pressure from all sides," said Fred Barney, president of Gray Drug, Rink's parent company. "There's a lot more advertising going on with all competitors. It's been very difficult to maintain gross margins

To bolster slipping margins, Rink's temporarily eliminated its employee training program. "It was a nice thing to have, but we can live without it," said Barney. "As soon as things get better, we'll start it up again." Barney added that Christmas advertising would be at levels comparable to that of last year's season, and that the chain would be "very aggressive and as competitive as ever."

The chain has also realigned its store supervision, shuffling more stores under fewer supervisors and cutting out overlap. To create better in-stock position on basic items and to lower inventory costs, the chain has

(Continued on page 56)

NMRI Weighs Marking Codes

CHICAGO—The nine-member National Mass Retailing Institute Marking Standards Committee was set to meet Oct. 15 and 16 at the Marriott Hotel here to decide on a recommendation for its board of directors on which tack the discount industry should take to modernize its marking code system.

The choices are to give a vote of confidence to one of four systems, to decide that no system should be endorsed, or (and NMRI chairman Richard Hersh said this is most likely) to recommend further study of the issue.

The UPC (Universal Product Code), OCR-A and/or -B (Optical Character Recognition), a system that combines both of these codes, or the continental version of the UPC, the European Article Number code, are the four code choices.

While NMRI president David Godfrey said one of his objectives in office would be to develop a consensus on the issue, members of the committee said their objective was to create a forum of ideas, and in

(Continued on page 60)

K mart's Test Look Has Eyes For Wider Patron Base

By Iris Rosenberg

INDIANAPOLIS—K mart's search for a new identity is taking shape here.

After nearly eight weeks of furious renovation activity, nine of the giant discounter's stores are ready to face the public with a test look chain execs hope is a big step closer to the K mart store of the 80's: a one-stop shopping environment capable of drawing both a fashion-conscious consumer and a more sophisticated do-it-yourselfer, without discouraging the price-conscious shopper the chain has always counted on.

More photos, p. 6.

With new-market expansion limited, the Troy, Mich.-headquartered chain wants to broaden its customer base for continued growth in the coming decade. Indianapolis, where the chain has had stores for more than 10 years, provided a stable base (close to headquarters), perfect for the test.

To do this, headquarters unleashed a storm of workmen into every department in the stores. While, at presstime, Troy execs were still walking the stores and dickering about the details of the presentation, many merchandise and adjacency changes were already locked in.

What's new here is the hard lines presentation.

Department adjacencies have been changed to consolidate stocks and to facilitate tie-in selling; gondola heights have been raised—this varies from store to store, but many hard lines fixtures have been raised to 66 in. (72 along perimeter walls); and the mix has been broadened and deepened in key areas like home improvement, the country's fastest growing retail segment.

Also being tested here in at least two stores is a T-midway aisle configuration which fur-

(Continued on page 56)

K mart was half-way through remodeling its Indianapolis stores at presstime. New features in H&BA: higher gondolas; modular promo tables; aisles that run parallel to adjacent checkout area. *(DSN photo)*

CHICAGO
Marriott

Repeaters Spark SPARC Affair

Receiving his company's second consecutive SPARC award is Arthur Maier, chairman of K&M Jewelry (left). Luke Kirby, vice president and general merchandise manager at Caldor, presents the award. Other SPARC award photos start on p. 31. *(DSN photo)*

Nail Care Hot; Slow Movers Trimmed

Special DSN H&BA Report

Cosmetics departments are beginning to sport expanded nail care sections with a new look: spruced-up presentations and more space that offers a better view of narrower, deeper selections in the category.

At the same time, buyers are refining assortments and upgrading presentations in an effort to answer the biggest problem in nail care: how to handle slow-turning, often unsalable items that are part and parcel of many manufacturers' prescribed programs.

Today, slow sellers are standing out more than ever because nail care implements and cosmetics now constitute a boom category. Most discounters report that significant sales increases in the last year have gained even more momentum in recent months.

A gradual move away from prescribed programs and pegged items will be the upshot of the new approach, say buyers who are culling unsuccessful items and some low-end lines. (This commitment to more cherrypicked stock could eventually mean less manufacturer-oriented merchandising, but for now manufacturers' displays like the Revlon nail care fixture, which has a prescribed program—and which was installed last month at Cook United—provide a ready-made fashion image.)

"I'd like to turn the category more, but if I get three turns I'll be very happy," Gold Circle buyer Carol Fayne said, adding that turns are down slightly at the Ohio-based chain because of the recession. She projects a 10% sales growth for nail care next year, when current upgradings will be in full swing.

A 15%-17% increase is projected at Gibson, where buyer Jon Thomas said turns range from four to six. While the

(Continued on page 60)

The Touche Ross Management Development lesson appears on p. 27.

Chapter XI Petition a Surprise

Sam Solomon's Fiscal Woes Laid to Banks' Harsher Loan Terms

CHARLESTON, S.C.—Why did Sam Solomon, in a move that surprised other showroom operators and suppliers, file a Chapter XI petition?

The move, made in Federal Bankruptcy Court in Columbia, S.C., startled the industry on two counts: first, the cataloger wasn't insolvent and, second, it reported more than $12 million in net worth in fiscal 1980.

The losses on sales gains for the quarter and half-year, both of which ended before the bankruptcy filing late last month, aren't seen as enough of a reason for the Chapter XI move.

The half-year loss went up 60% to $1,458,000 on an 11.5% sales gain to $33,000,000. In the quarter, loss jumped by more than 900% to $634,000 on a 10.3% sales increase to $17,200,000.

Company executives, asserting that all debts will be paid in full, and other sources point to the cataloger's three lender banks as cause for the filing.

Melvin Solomon, chairman and president, said the banks refused to continue loans usually extended to the cataloger except under "newly imposed harsh terms."

Bruce Reese, who joined the cataloger as executive vice president and chief operating officer after the Chapter XI filing last month, said the move "was solely to protect the trade creditors," because the effect of new loan terms would "put Sam Solomon's ability to pay the trade in jeopardy."

Reese said factors causing the banks' decision to impose harsher terms were a "one shot" occurrence.

Reese was formerly senior vice president, merchandising, for Best Products and joined Solomon when another executive, Wayne Carr, left.

Carr, an inventory expert, was hired at the banks' insistence about eight months ago. Sam Solomon executives wouldn't comment on the significance of Carr's leaving coinciding with the bankruptcy filing.

The discounter's legal team includes attorneys that are familiar with the role that financial institutions played in the bankruptcy of W. T. Grant. Sam Solomon's filing occurred after the discounter discussed its situation with these attorneys.

The cataloger's debt to the three banks—the North Carolina National Bank, South Carolina National Bank and Southeast First of Miami—is about $7.2 million, with NCNB the largest creditor with more than $3 million due on an open line of credit.

Bank executives declined

(Continued on page 50)

FTC Is Expected to Ease Guide Covering Warranty Advertising

WASHINGTON—Within the next six months, the Federal Trade Commission is expected to loosen its guidelines regarding warranty advertising. When the FTC completes its present study, the proposed changes should, for the first time in 20 years, make it simpler for retailers and manufacturers to advertise warranty products.

The public comment period on recommendations for changes was scheduled to end in early October, but a staff member of the FTC said an extension was likely.

At issue is how much disclosure is necessary for a warranty advertisement to avoid deception. The present guides require that advertising mentioning a warranty must disclose all the terms, conditions and limitations of the warranty.

But, as the commission official noted, these requirements have added substantial costs and have served as deterrents to advertising warranties. At the time the requirements were issued—in 1960—warranty advertisements generally were the only way warranty information was available to consumers before an item was purchased.

The Magnuson-Moss Warranty Act, however, which became effective in 1975, required that the terms of written warranties be available prior to sale. Among other provisions, Magnuson-Moss required that warranty information be available at point-of-sale.

The alternative presently being considered by the commission for warranty advertising include the following:

- Warranty advertising would be treated like most other forms of advertising, and the commission would rely on existing advertising laws to determine which warranty advertising is deceptive.
- Prohibited on a rule or case-by-case basis would be specific language in warranty advertising which is found to be deceptive. For example, if the phrase "X-year limited warranty" was determined to be deceptive, use of that phrase would be prohibited.
- Required by rule or on a case-by-case basis would be disclosures to remedy deceptive warranty advertising so that customers would not be misled by partial information. For example, if a warranty advertise-

(Continued on page 50)

Payroll Costs As A Percentage Of Sales

	No. Firms Reporting 1978-79	Avg. Net Income As A Per Cent Of Sales	No. Firms Reporting 1979-80	Avg. Net Income As A Per Cent Of Sales
Payroll Less Than 11% of Sales	11	2.50	6	1.55
Payroll 11% to 13% of Sales	12	1.82	16	2.29
Payroll More Than 13% of Sales	7	1.03	8	1.45

Source: NMRI/Cornell 1979-80 operating results study.

Rising payroll costs have reduced the number of chains able to hold payroll costs under 11% of sales. The 1979-80 NMRI/Cornell study of operating results for 30 identical firms shows that only six of 11 firms that reported payrolls under 11% the previous year were able to maintain that ratio.

Payroll Costs Are Spiraling as Per Cent of Sales

Nationwide DSN Report

Spiraling wages have put severe upward pressure on payroll costs as a percentage of sales in discount department store chains.

According to the 1979-80 National Mass Retailing Institute study of the industry's operating results—its annual Cornell University survey—the number of chains that keep payroll under 11% of sales has dropped sharply.

The NMRI study of 38 discount chains includes 30 chains that have participated for at least two consecutive years. Of those 30 identical firms, only six reported payrolls under 11%, with an average of 10.19%. The preceding year, 11 of the same group of companies had reported payroll percentages under 11%.

More than half of the 30 identical firms—16—reported payrolls between 11% and 13% of sales, averaging 12.11%. The year before, only 12 had been in that range.

Eight firms from the group of 30 reported payrolls in excess of 13%—averaging 14.31%—an increase from the 1978-79 NMRI study, which had shown 7 chains with payrolls in excess of 13%.

Net income as a percentage of sales fell sharply, from 2.5% to 1.6%, among those six chains that maintained payroll ratios under 11%. A causal relationship between the two facts is unlikely, however, and that income decline is the probable result of other pressures on earning power.

The net income percentage for chains with higher payroll ratios rose. Among the 16 chains with payrolls between 11% and 13%, the net income rose to 2.29% of sales from 1.82% the year before.

A lower net percentage accompanies the highest payroll ratios, with those chains with payrolls in excess of 13% netting 1.45% of sales, up from only 1.03% during the previous year.

A direct relationship between total expenses and net income is expected in retailing, and substantiated in the NMRI study.

Of the 30 identical firms reporting, seven had total expenses less than 22% of sales, averaging 19.38%; their average net income was 2.9% of sales.

Of the 30 chains, 16 had total expenses between 22% and 27% of sales—averaging 25.1%. *Their* average net income was 2.01% of sales.

Finally, seven firms reported expenses over 27% of sales—with an average of 29.46%—and *their* net income was 1.26% of sales.

Gross margins declined slightly for those chains participating in the NMRI study that had margins under 30%, but rose slightly for the seven chains that reported gross margins above 30%; they averaged 31.4%.

Seven other firms reported gross margins under 25%—they averaged 22.09—and the

(Continued on page 50)

Spotlight on: Bicycles

Aerial Display Lends Bike-Store Flavor

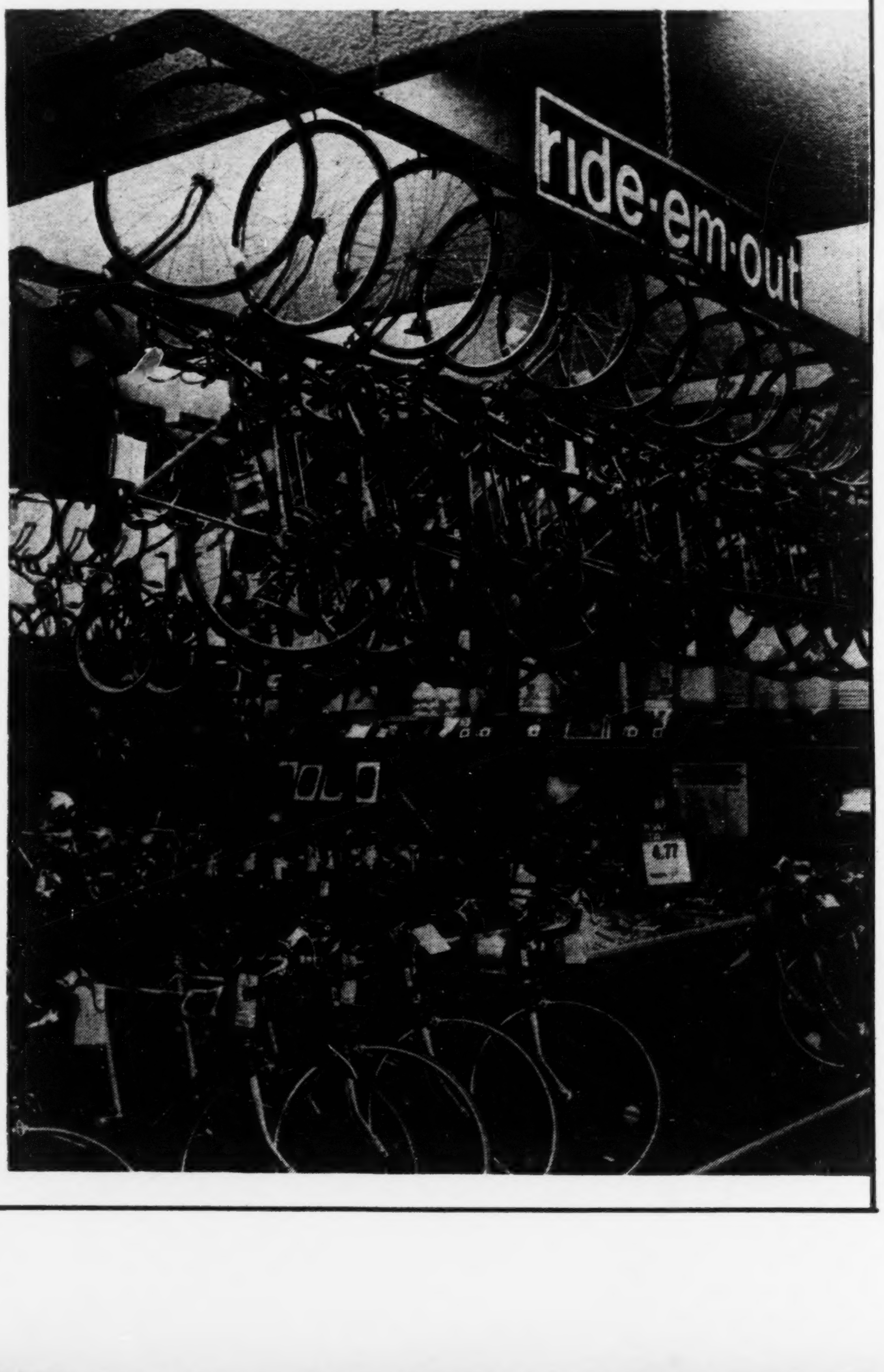
Increased productivity frequently means more merchandise in the same—or less—floor space. One way to get more into less is to use the air space above normal floor displays.

The Treasury, Granada Hills, Calif., packs its air space with bicycles hung from a steel frame suspended above the typical bike display.

The aerial display also provides an unmistakable signature for the department, and helps create a massive "we're-in-the-business" look for the department. The slightly raised platform adds to the look.

These preassembled bikes are hung by the front rim on large hooks, easily lifted down for close examination or sale, if necessary.

The sale table in the middle of the display adds to a sense of completeness, and brings tie-in sales of accessories with each bike sale. *(DSN photo)*



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TUNING IN. Strong housewares sales records over the last eight months stem from discounters' successful offering of a diverse selection of both everyday basics and trade-up items. (P. 28.)

POS TODAY. DSN and Touche Ross begin a series of three articles on the status of point-of-sale terminal systems in the discount industry. (P. 27.)

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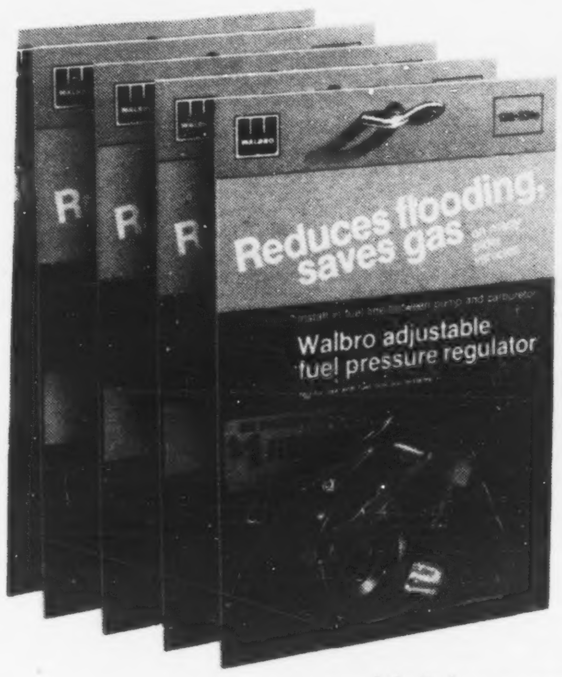
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Solomon's Woes Laid to Banks' Terms

(Continued from page 2)

comment on the cataloger's filing. A NCNB executive said the bank's policy didn't allow him to comment on loan terms. Neither the banks nor Sam Solomon executives would detail what the harsher lending terms were.

Factors behind the banks' action reportedly include inventory problems and poor earnings in the fiscal year ended Jan. 28, 1980. Also contributing to the crackdown was $4,250,000 in seasonal loans outstanding at the end of the fiscal year. The company's lending slate had been wiped clean at the close of previous fiscal years.

"The banks seemed to feel that prudent lending policies required a change in the terms," one source said.

Without explaining why the banks imposed new requirements, Reese said the banks first agreed to "essentially the same type of unsecured seasonal borrowing as in the past and the company had begun to take down these funds. We got only a portion when the banks imposed the new requirements."

The cataloger's sales went up in the past fiscal year by 26.7% to $88,034,300 from $69,461,400. But net income plunged from $1,665,600 to only $124,600.

Reese cited the cataloger's shift to a LIFO accounting method during the year and a 68.8% jump in interest expenses—or $1,138,500—due to increased short-term borrowing, higher interest rates and interest on capitalized equipment leases as contributing to the cataloger's situation.

The two accounting changes were a switch to LIFO that decreased net income by $397,000 and expensing store openings as they occurred, rather than over a two-year period, which reduced net income by $362,400.

Besides the accounting changes, Sam Solomon in fiscal 1980 had to write off about $1 million in inventory and take down cumulative start-up costs of about $1.4 million, some for the past year and the rest for the opening of its Pembroke Pines, Fla., unit in late November, just before the close of the fiscal year.

The cataloger's concern about its inventory was evident in a report by Melvin Solomon earlier this year that the company had "instituted additional inventory planning and controls which resulted in increased inventory turn." He added he "plans to increase emphasis on data processing to provide the latest and most accurate information on inventory, including calculations on return on investment."

These moves, he said, "will allow the company to better evaluate the performance of its operations and merchandising strategies."

Sam Solomon is currently negotiating for interim financing with one lender, a company executive said, to go along with the support offered by its major suppliers.

At a creditors committee meeting called at presstime, the company's vendors informally agreed to continue to supply the cataloger, with most of the manufacturers shipping merchandise to allow the company to back the Merchandisers Association Inc. catalog it distributes for its 11 showrooms in four Southeast states.

Reese said there would be only a minor cutback in the number of books distributed and that no changes were planned in the cataloger's extensive fourth-quarter rotogravure program—two fliers a month in the period before Christmas.

While backing the catalog is vital for showroom operators, it's slightly less important for Sam Solomon, whose units mass display most categories.

All of Sam Solomon's showrooms are reportedly profitable except for the Pembroke Pines unit which hasn't completed a full year of operation.

Reese said the company had no plans to close any showrooms or make any extensive changes in its operations.

Sam Solomon is due to present its financial plan to its creditors just after Christmas. The nine-member creditors committee is composed of the three banks and the six largest vendors: General Electric first, followed by Texas Instruments, Panasonic, Mattel, and Milton Bradley.

Andy McKnight put this grill together in 7 minutes . . .

Does that tell you something?

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Leased Sales as a Per Cent of Total Sales

Leased department sales as a percentage of sales, in chains with sales of:

Year	Less than $100 Million	$100 to $260 Million	More than $260 Million
1974-75	9.82	11.64	13.82
1975-76	10.99	9.47	5.14
1976-77	9.39	12.33	5.39
1977-78	8.40	11.63	4.34
1978-79	7.53	8.20	5.58
1979-80	5.34	4.17	5.67

Leased department sales as a percentage of total retail sales have decreased steadily for several years and now constitute less than 6% of total volume. (Source: 1979-80 NMRI/Cornell University Study of Operating Results of Self-Service Discount Department Stores.)

Expenses as a Percentage of Sales for Various Responsibility Centers

Store Operations	10.62%
Field Supervision	0.46
Occupancy Costs, Stores	5.43
Occupancy Costs, Other	0.50
Buying & Merchandising	0.67
Advertising & Promotion	2.59
Accounting	0.36
Data Processing	0.37
Employee Benefits	1.86
Warehousing	0.88
Transportation	0.26
Administration & General	1.24
Total	100.00%

These average cost factors, reported as a percentage of sales, were supplied by 30 chains to NMRI's 1979-80 Study of the Operating Results for Self-Service Discount Department Store Chains.

Payroll Costs

(Continued from page 2)

remaining 16 discounters averaged 27.05% gross margin, down slightly from the year earlier when 14 firms averaged 27.63% margins.

The 1979-80 NMRI/Cornell University study, Operating Results of Self-Service Discount Department Stores, is available from the NMRI, 570 Seventh Ave., New York, N.Y. 10018. Cost to NMRI members is $35, nonmembers $45 and educational institutions $25.

Warranty Ads

(Continued from page 2)

ment disclosed benefits of the warranty, major limitations of the warranty would have to be disclosed as well.

- Required, by rule or guide, would be certain disclosures in all warranty advertisements. For example, warranty advertisers would be required to disclose whether the warranty is full or limited, or that it is available at point-of-sale.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Nail Builders Fingered as Pegged Stars

By M. Raymond Prendergast
President,
Boston Distributors

The pegged cosmetics department continues to show significant growth with Maybelline capturing the greatest percentage increase to date. Noxell's Cover Girl, with six sku's on the PMA, has also had an excellent year.

The success of Noxell's Professional Mascara is being followed up with its entry of Marathon Mascara, another sure winner in the eye segment traditionally dominated by Maybelline.

Our strongest category in sales per sku is again the nail builders. Krazy Nails is far and away our leading product while Lee Nails falls in the No. 2 position. We are seeing a leveling off of nail polish and a definite slow-down of lip liners, glosses, slicks, and pencils. More emphasis will be placed on the slim-line lipstick presently offered by Del Labs and Maybelline.

The heavy advertising support which the pegged cosmetic department receives from manufacturers will continue to make it one of our leading growth categories. Exciting new fixturing available from Revlon, Maybelline, and Noxell will further increase sales by creating a strong impact.

Strengths Examined

The retailer who takes advantage of fixturing concepts, promotional deals, and co-op advertising dollars offered by the manufacturer, will share in the growth and in the profits.

Meanwhile, mass merchants are already capitalizing on the tremendous growth potential of ladies' fragrances—a category in which sales are 35% ahead of last year's. Revlon still dominates the fragrance scene with two sku's of Jontue and three put-ups of Charlie in the top 10. Matchabelli's Chimere, and Enjoli from Charles of the Ritz, have moved up steadily since their introductions and now represent an important segment of the fragrance market. The big surprise in this year's PMA is Faberge's Babe which is ranked No. 8.

Jacqueline Cochran's Cie, although not on this PMA, is expected to place high by the end of the season. Coty's new entry, Sophia, will also do well as Coty will give the brand heavy support.

Lack of advertising throughout the year for all but a few men's fragrance lines, however, has taken its toll, especially in franchised lines. Despite predictions of 10% increases in the growth of men's fragrances,

(Continued on page 8)

H&BA

Figures for the Feb. 1-Sept. 15 period were supplied by Boston Distributors, a division of Cook United, Maple Heights, Ohio. The figures cover 320 stores, including 290 discount department stores, in 18 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

PEGGED COSMETICS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Krazy Nails Kit 81612	14,040	$5.98	$83,959
2	Lee Nails 122W	5,263	6.49	34,157
3	Maybelline Great Lash Masc BLK 175M	7,494	2.25	16,862
4	Cover Girl Professional Masc BLK 04656	7,120	2.35	16,732
5	Maybelline Blush Brush PCH 195PB	5,448	2.75	14,982
6	Maybelline Automatic Pencil BLK 100C	8,454	1.75	14,795
7	Maybelline Blooming Colors Plum 200DP	5,259	2.75	14,462
8	Maybelline Fresh Lash Masc BLK 195M	6,210	2.25	13,973
9	Maybelline Ultra Bit Ultra Lash BLK 150ML	6,936	1.95	13,525
10	Maybelline Brush Blush Pink 195PB	4,890	2.75	13,448
11	Maybelline eyebrow Pen BLK 59TC	12,018	1.10	13,220
12	Cover Girl Pr Pdr Medium 448	5,192	2.50	12,980
13	Cover Girl Pr Pdr Brunette 456	5,192	2.50	12,980
14	Maybelline Fresh Lash Masc Brwn BLK 195M	5,676	2.25	12,771
15	Maybelline Auto Pencil Drk Brwn 100C	6,846	1.75	11,981
16	Maybelline Great Lash Masc Brwn/BLK 175M	5,256	2.25	11,826
17	Classic Nails CN 12	1,961	5.99	11,746
18	Corn Silk Pr Pdr Micron 6739	4,044	2.89	11,687
19	Cover Girl Pr Pdr Crmy Ntrl 422	4,572	2.50	11,430
20	Cover Girl Long N Lush Masc Dp BLK 1040	5,020	2.25	11,295

LADIES' FRAGRANCE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Jontue Spray 0.6 oz #3434	2,281	4.95	11,291
2	Coty Wild Musk Spray 1.5 oz #298	1,951	5.00	9,755
3	Enjoli Spray 0.5 oz #1305	2,280	4.00	9,120
4	Charlie Spray 1.7 oz #9116	922	9.00	8,298
5	Charlie Spray 0.4 oz #3437	1,672	4.95	8,276
6	Jovan Musk Spray 2 oz #JF994	900	8.50	7,650
7	Chimere Spray 0.75 oz #3800	1,327	5.50	7,299
8	Charlie Splash 2¼ oz #0686	760	8.50	6,460
9	Babe Spray Non-Aerosol 2 oz #2112	910	7.00	6,370
10	Jontue Natural Spray 2.5 oz #6670	669	9.50	6,356

MEN'S SINGLE-BOTTLE FRAGRANCE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Old Spice After Shave #3710 4.25 oz	19,536	3.30	64,469
2	Old Spice Cologne Orig #3720 4.25	6,756	4.75	32,091
3	Aqua Velva Ice Blue 16 oz	8,352	3.78	31,571
4	Old Spice A.S.L. 3711 8.5 oz	5,304	5.75	30,498
5	Brut 33 Splash 7 oz	8,346	3.50	29,211
6	Mennen Skin Bracer 6 oz	11,436	2.51	28,704
7	Lectric Shave Regular 7 oz	9,105	2.81	25,585
8	Aqua Velva Ice Blue 8.5 oz	6,156	3.43	21,115
9	Jovan Musk A.S.L. Men JF901	2,301	8.00	18,408
10	Brut 33 After Shave 5.1 oz	5,220	3.50	18,270
11	Mennen Skin Bracer 4 oz	10,278	1.59	16,342
12	Jovan Musk Spray JF902	1,761	8.50	14,969
13	Aqua Velva Ice Blue 4 oz	7,002	1.92	13,444
14	British Sterling Cologne 2 oz	2,469	4.50	11,111
15	British Sterling Cologne 3.8 oz	1,295	7.50	9,713
16	British Sterling After Shave 3.8 oz	1,468	6.50	9,542
17	British Sterling A.S.L. 2001	2,447	3.75	9,176
18	English Leather After Shave #913 4 oz	2,231	4.00	8,924
19	Jovan Sex Appeal 4 oz JF941	1,044	8.00	8,352
20	Old Spice Lime #3500 4.25 oz	2,424	3.30	7,999

ShopKc Readies 2 More Stores

GREEN BAY, Wis.—Within the next 30 days, ShopKo will open two new stores—one in Kenosha at the end of this month, and another in Janesville at the beginning of November.

Each store will host a variety of special service areas including pharmacy, optical, home improvement and discount book center.

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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Nonstick Ware Among Basics Staying Hot

By Harold Rubin
President
HalMar Inc., Distributors

Discounters seem to have successfully adjusted housewares merchandising to cope with the fluctuating economy by sharply focusing on traditional fast-turning staples such as cookware with nonstick finishes and eight-piece glassware sets.

The Product Movement Audit report for the Jan. 1 through Aug. 6 period, covering the months with the widest shifts in the economy, denotes this responsive merchandising—the top items in all 10 categories were old reliable products such as 20-pc. Corelle sets in tabletop, Ekco Baker's Secret bakeware in cookware, large-size wastebaskets and laundry baskets in Rubbermaid and Menu-ette sets and small portion microwave cookware in Corning Ware.

That discounters and other retailers have been relying heavily on housewares basics is evident from the 100 items that made the PMA, 86 of which were among the top 100 best sellers in the previous report.

Of the 14 items not on the last report, 13 were housewares that appeared on earlier PMAs. Only one item is new to the chart—a 2½-qt. Corning Ware casserole in the French White

(Continued on page 29)

Up 'n' Comers

The following "High Risers" chart lists items (and their rank) that have moved up five or more places from the previously published HalMar Distributors housewares PMA. In addition, under the heading "New Items" are items (and their rank) that are appearing on the chart for the first time.

HIGH RISERS

Category/Item	Rank
GLASSWARE	
Libbey 9-oz crystal sham	10
COOKWARE	
Mirro 9-cup percolator	10
GADGETS	
Gemco food chopper	9
PLASTICS	
Lustro-Ware 1-gal sq dcntr	4
Lustro-Ware 70-oz rnd dcntr	5
Lustro-Ware dust pan	10
CLEANING & CHEMICALS	
Texize 32-oz Fantastic	3
Johnson 16-oz Jwax Brite	7
Drackett 10-oz Endust	9
Johnson 14-oz Wood Pledge	10
RUBBERMAID	
10 3/4" Drainer tray, gd	6
Twin sink dish drain, choc	10
CORNING WARE	
6-cup Teapot, Wildflower	10

NEW ITEMS

Category/Item	Rank
CORNING WARE	
2½-qt Cssrle, Frnch Wht	6

HOUSEWARES

These housewares figures are for the Jan. 1-Aug. 6 period. They were supplied by HalMar Distributors, Holyoke, Mass., and cover more than 500 stores, including 400 full-line discount department stores from New England to the Carolinas. Average retail prices listed by the distributor reflect typical price points for discount clients.

TABLETOP

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Corelle 20-pc set, gold	10,362	38.69	400,985.78
2	2	Corelle 20-pc set, green	9,573	38.69	378,379.37
3	3	Corelle 20-pc set, Woodland	8,725	38.69	337,570.25
4	4	Expressions 20-pc set, Indn Smmr	4,039	63.89	258,051.71
5	5	Expressions 20-pc set, Meadow	3,714	63.89	237,287.46
6	6	Corelle 20-pc set, blue	4,747	38.69	183,661.43
7	7	Expressions, 20-pc set, Wildflower	2,684	63.89	171,480.76
8	9	Corelle 20-pc st, white	3,091	36.89	114,026.99
9	8	Expressions 20-pc set, Batik	1,486	63.89	94,940.54
10	10	Expressions 20-pc st, Blue Heather	1,380	63.89	88,168.20

GLASSWARE

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Libbey 12½-oz bev, Wht Spr, 8-pc	2,868	9.89	28,364.52
2	1	Anchor Hocking 24-pc st, Nwprt Gld	2,295	12.15	27,884.25
3	4	Libbey 12-oz bev, Oriental, 8-pc	3,046	8.00	24,368.00
4	5	Anchor Hckng 11-pc tbl srvc st, prsct	1,816	11.69	21,229.04
5	3	Anchor Hckng 7-pc tbl srvc st, prsct	2,272	8.99	20,425.28
6	8	Libbey 6½-oz round wine Mr Pro	3,389	5.57	18,876.73
7	7	Libbey 8½-oz wine Mr Pro	3,384	5.57	18,848.88
8	6	Libbey 12-oz bv, Gold Savoy, 8-pk	2,476	7.46	18,470.96
9	9	Anchor Hckng 24-pc st, Nwprt Crstl	1,409	12.15	17,119.35
10	—	Libbey 9-oz crystal sham	32,000	0.53	16,960.00

COOKWARE

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Ekco 17¼" cookie sht, Bkr's Scrt	8,865	3.05	27,038.25
2	2	Ekco 13" oblong ck pn, Bkr's Scrt	8,681	2.78	24,133.18
3	3	Ekco 15¼" cookie sheet	7,277	2.78	20,230.06
4	4	Ekco 14½" roast pan, Bkr's Scrt	5,274	3.59	18,933.66
5	5	Ekco 12-cup mffn pn, Bkr's Scrt	5,588	3.32	18,552.16
6	7	Ekco 17¼" cookie sheet	7,877	2.06	16,226.62
7	9	Wear-Ever 10" Prmm fr pn, SlvrStn	1,370	11.24	15,398.80
8	6	Ekco 9¼" lf pn Bkr's Scrt	5,839	2.42	14,130.38
9	8	Ekco 13¼" ck sh, Bkr's Scrt	6,375	2.15	13,706.25
10	—	Mirro 9-cup percolator	1,821	7.19	13,092.99

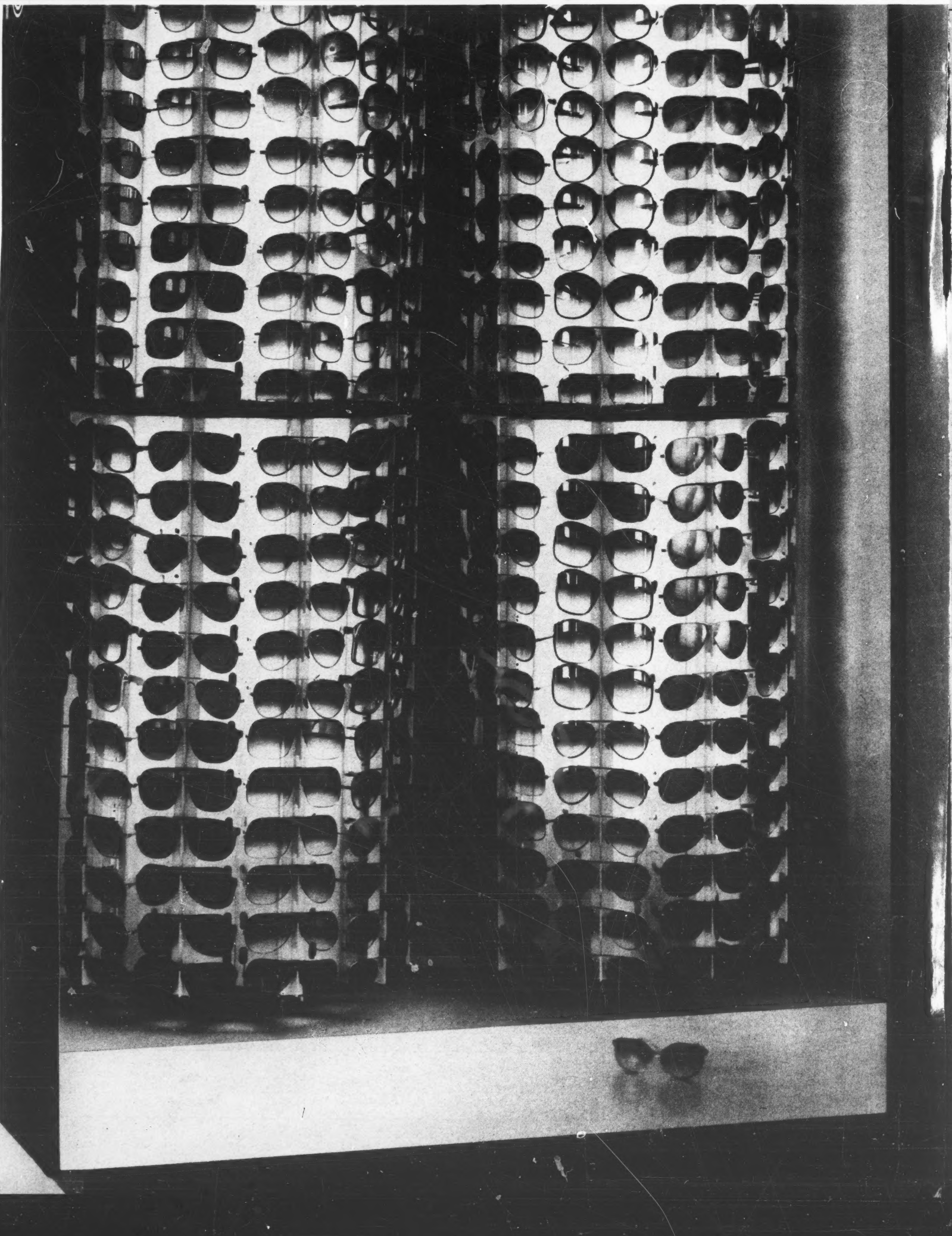
GADGETS

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Swing-A-Way prtbl hnd cn opnr	7,851	3.59	28,185.09
2	2	Rhodes timer, white	3,279	6.29	20,624.91
3	3	Ecko cn opnr w/bttl opnr	21,931	0.82	17,983.42
4	5	Ecko 3-way can opener	11,965	1.25	14,956.25
5	7	Ecko can opener, plstc hndl	7,850	1.88	14,758.00
6	6	Rhodes timer, gold	2,250	6.29	14,152.50
7	4	Ecko 2⅛" barrel rolling pin	4,068	3.32	13,505.76
8	8	Ecko peeler	20,420	0.62	12,660.40
9	—	Gemco food chopper	5,159	2.24	11,556.16
10	9	Taylor hang/stand oven thermometer	4,393	2.51	11,026.43

PLASTICS

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	Lustro-Ware 11-qt hv dt pl, almnm	4,974	2.60	12,932.40
2	1	Demand Mkt Ssm Strt tmblr	9,705	0.98	9,510.98
3	7	Castel Sporkit spn/frk srvr	8,615	1.07	9,218.05
4	—	Lustro-Ware 1-gal sqr dcntr	3,269	2.78	9,087.82
5	—	Lustro-Ware 70-oz rnd dcntr	4,383	1.97	8,634.51
6	6	Republic 1-pt uprite Frztt	3,182	2.69	8,559.58
7	5	Republic 1-qt uprite Frztt	3,167	2.69	8,519.23
8	9	Alabaster 16-oz flute tmblr	12,527	0.62	7,766.74
9	4	Sterlite 4-pc Tblmt st, almond	2,599	2.96	7,693.04
10	—	Lustro-Ware dust pan	6,153	1.25	7,691.25

(Continued on page 29)



HOUSEWARES

(Continued from page 28)

CLEANING CHEMICALS

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	White Labs 16-oz x 14 mildew remover	8,041	3.14	25,248.74
2	2	3M 16-oz Scotch Guard	4,149	4.94	20,496.06
3	—	Texize 32-oz Fantastic	8,747	2.33	20,380.51
4	4	Johnson 14-oz Lemon Pledge	5,880	2.87	16,875.60
5	3	Drackett [illegible]-oz Draino	4,766	3.14	14,965.24
6	10	Johnson 27-oz Future	3,708	3.77	13,979.16
7	—	Johnson 16-oz Jwax Brite	4,812	2.51	12,078.12
8	7	Texize 64-oz Fantastic rfll	3,358	3.50	11,753.00
9	—	Drackett 10-oz Endust	4,058	2.87	11,646.46
10	—	Johnson 14-oz Wood Pledge	4,019	2.87	11,534.53

BATH

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Selfix portable shower spray	2,849	8.55	24,358.95
2	2	Magnola molded toilet seat, white	1,627	9.44	15,358.88
3	3	Ekco 18″ towel bar, chrome	5,983	1.97	11,786.51
4	5	Selfix shampoo spray	5,572	1.88	10,475.36
5	4	Ekco toilet tissue holder, chrome	5,263	1.97	10,360.11
6	6	Selfix twin hooks	8,259	1.07	8,837.13
7	7	Selfix toilet tissue holder	6,571	1.34	8,805.14
8	8	Ekco 12″ towel bar, chrome	4,890	1.79	8,753.10
9	10	Ekco 24″ towel bar, chrome	3,558	2.33	8,290.14
10	9	Magnola padded toilet seat, white	467	16.64	7,770.88

RUBBERMAID

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	20-gal Refuse container	3,795	12.59	47,779.05
2	2	Self-closing wastebasket, choc	3,670	7.19	26,387.30
3	3	10 3/4″ high Rctngle lndry bskt, choc	5,307	4.94	26,216.58
4	4	10 3/4″ high Rctngle lndry bskt, gold	4,562	4.94	22,536.28
5	8	Deluxe dish drainer, choc	3,933	5.35	21,041.55
6	—	10 3/4″ Drainer tray, gold	4,098	4.94	20,244.12
7	5	Self-closing wastebasket, gold	2,638	7.19	18,967.22
8	9	Covered wastebasket, choc	2,485	7.19	17,867.15
9	10	Deluxe dish drainer, gold	3,295	5.35	17,628.25
10	—	Twin sink dish drain, choc	3,847	4.49	17,273.03

CORNING WARE

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Menu-ette set, Cornflower	8,916	17.99	160,398.84
2	3	Grab-it set	5,328	9.62	51,255.36
3	2	Sidekick	6,418	7.46	47,878.28
4	6	Cass-ette	5,440	6.56	35,686.40
5	5	Menu-ette set, Spice	1,431	24.29	34,758.99
6	—	2½-qt Casserole, French White	2,061	16.55	34,109.55
7	7	Menu-ette set, Wildflower	1,368	24.29	33,228.72
8	10	6-cup Teapot, Spice	2,049	15.74	32,251.26
9	4	Kitchen Starter set, Spice	757	40.04	30,310.28
10	—	6-cup Teapot Wildflower	1,920	15.74	30,220.80

PYREX

Curr. $ Rank	Prev. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	3-qt Oblong bake dish	16,870	4.67	78,782.90
2	1	3-qt Bake dish w/basket	5,941	13.04	77,470.64
3	3	Bake 'N Serve set, Fireside	5,840	12.32	71,948.80
4	4	2-qt Casserole w/basket	4,588	13.04	59,827.52
5	5	2-qt Bake dish w/basket, Fireside	5,612	8.36	46,916.32
6	6	1-cup Liquid measure	24,023	1.79	43,001.17
7	7	1-pt Liquid measure	18,002	2.33	41,944.66
8	8	4-pc Mixing Bowl set w/handle, green	3,038	13.04	39,615.52
9	10	2-qt Oblong bake dish	9,342	4.22	39,423.24
10	9	1½-qt Casserole w/basket, Fireside	5,117	7.46	38,172.82

Masters Net Off 44.7% Despite 2nd Qtr. Rise

WESTBURY, N.Y.—Despite a 16.4% increase in its second quarter earnings, Masters Inc. reported a 44.7% decline in its first half net income, as compared to the same periods last year.

First half earnings dropped to $459,167 ($0.38 per share), compared to a net income of $664,385 ($0.56 per share) for the same period in 1979.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Nonstick Ware

(Continued from page 28)

design.

This item has been around since the start of the year, but tonnage quantities became available in the past few months so the current report is the first to spotlight heavy demand for the product in the Northeast.

Discounters have been noting that housewares volume has more than maintained previous levels, with the department capturing a greater share of total store sales.

This situation is evidently due to heavy customer demand for basic items in the department. Cleaning and chemicals is a major consumable area, with homemakers regularly returning to discounters for the cleaners, waxes and polishes that make up this section.

Discounters, in their efforts to be on top of the action in basic housewares, haven't lost sight of the trade-up potential in the category through the merchandising of fashion and quality step-up.

Merchandising involving the former is evident in the Rubbermaid area, where chocolate and gold were the colors for nine of the 10 items; and in Pyrex where goods in basket holders accounted for four listings and where the Fireside fashion was responsible for three listings, including one of the products with a basket holder.

Product improvement as the key to tradeup is most pronounced in the cookware listing, where seven of the items feature either the Baker's Secret or SilverStone nonstick finish.

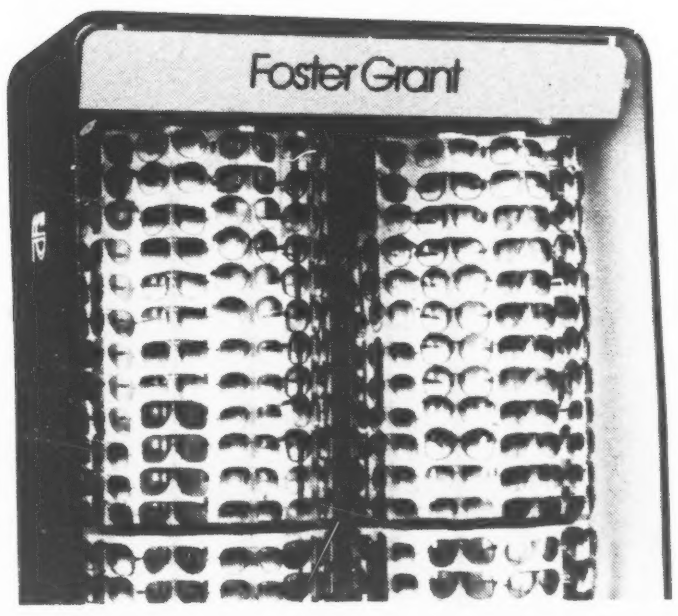
Balancing the trend to trade up housewares was the continued use of items for price specials. In glassware, Anchor Hocking 24-pc. sets in clear or gold glass at an average of $12.15 showed up in the No. 2 and 9 spots as discounters and other retailers featured this merchandise in promotions. Large-size containers accounted for high movement in the cleaning and chemicals area because discounters played up the savings potential offered to shoppers buying these sizes.

The diverse merchandising possibilities of housewares—supply basic everyday products while also going after tradeup and featuring price specials—accounted for the category's strong showing in the past eight months.

March of Dimes Names Zayre's Berkovitz

FRAMINGHAM, Mass.—A Zayre executive has been elected to the executive committee and board of directors of the March of Dimes' Massachusetts Bay chapter. Stanley Berkovitz, vice president and director of consumer and community affairs at the chain, led employee fund-raising efforts that resulted in Zayre making a record corporate commitment to the charity's Superwalk program.

What good is a great display, if they've never heard of the name that's on it?



For all intents and purposes, Foster Grant invented the sunglass display.

Today every Tom, Dick and Harry in the business has them. And some of them are pretty darn good-looking, too.

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That money in his or her pocket is shrinking. It's getting tighter than his or her jeans. And it looks like it's going to keep going that way.

Which means, if you read the papers or listen to the pundits, that this country's consumers are not going to be taking any chances with it. They'll be looking for the names they know, because they are the only brands they can trust.

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Housewares Seminar: Pp. 2, 19-25

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It's Christmas as Usual in Well-to-do Houston

Tale of 2 Cities: a Contrast in Economies, Sales

By Chris Haggerty

"Christmas is Christmas," said one woman who had just been shopping at a Target in Houston. "I'll probably be spending a little more than last year."

This answer reflects the attitudes shared by most customers polled by DSN in Houston about their Christmas plans. These consumers weren't feeling the economic pinch as were shoppers polled in recession-worn Cleveland—where most plan to chop Christmas spending by half or more.

Whether they live in Houston or Cleveland, however, discount store customers are shopping the ads and becoming more price-selective today than ever before. What makes "business as usual" more difficult in Cleveland is consumer cutbacks on impulse purchases.

In Houston, shoppers were leaving the stores with both unplanned as well as planned purchases, while most customers in Cleveland had stuck to shopping lists composed before they entered the store.

This fallout in impulse shopping has virtually destroyed the primary benefit and purpose of promotional activity—to draw traffic to higher-grossing departments. In Cleveland, this fallout has led to declines in store sales and profits and a succession of cost-cutting measures at store level.

Those were some of the findings of a DSN study of the Cleveland and Houston markets, representing the Industrial Belt and Sunbelt, respectively, to determine how the economic climate of each market has affected consumer buying patterns and store operations.

Houston, with its low unemployment rate of 4.6% (August figure) and average after-tax household income of $25,520, continues to be a fast-paced growth market for many discounters including Target, Woolco, and T.G. & Y.

Cleveland cannot boast of similar economic health. The city has suffered along with the auto, rubber and steel industries that account for a large part of its citizens' employment. Unemployment rates have hovered around 8% in recent months, and reductions in work hours hurt those still employed.

DSN polled store managers and discount store customers to gauge reactions to the different dynamics of each market.

The most striking contrast between the areas was in impulse sales activity. One mother of three had driven out of her way to pick up specific items on sale at the Zayre store in Brook Park, a suburb of Cleveland. "I only buy ad items," she explained. "I sit back and wait until an item I need is on sale. I usually shop at the K mart near my home but Zayre's sale on paper products this week made it worth the trip."

Most consumers surveyed in the Cleveland market spoke of considerable cutbacks in impulse purchases, and store managers there were well aware of this market trend. "There's a lack of confidence in

(Continued on page 29)

Patrons Cut Gift Plans in Depressed Cleveland

CLEVELAND—The lack of confidence in the economy that has put a crimp in impulse sales activity in the Cleveland market is also reflected in consumers' conservative plans for Christmas there.

Discounters in the area have responded by predicting stable or minimal sales increases this coming holiday season, and have adjusted inventories accordingly.

A majority of discount store shoppers surveyed by DSN in Cleveland said they would be paring down Christmas expenditures by half or more.

"We've already bought our two boys their 'big' Christmas present," said one customer shopping a K mart with his family. "In years past, we usually spent about $100 on each kid. But this year we didn't spend more than $25 on each of them—and that includes clothes and toys."

Uncle Bill's, one chain that has been hard-hit by the sales slowdown, will be a little more selective on electronic toys, more prudent in its buying of trim-a-tree items (to eliminate excess markdowns), and will concentrate on the age-old basics in toys and clothing, according to one store manager.

Inventory quantities have been cut in traffic appliances, he added. The chain is projecting slightly lower sales than last year's, and no increases in promotional dollars for seasonal advertising.

A K mart manager projected single-digit increases over last year's Christmas sales for his store. "No one is going to drop a lot of money on kids this Christmas," he explained. "They'll be doing what they did for back-to-school—shopping every ad that came out. The competition is going to be fierce."

Zayre stores in the market will benefit from a slightly accelerated advertising program this Christmas, according to Malcolm Sherman, executive vice president and general manager. "We're really excited by what we're coming out with in our circulars, radio and TV advertising for the season," he added.

Zayre's headquarters management is predicting only slight sales increases over last year's Christmas performance for the 10 Cleveland metro stores, Sherman said.

Most Top Discounters' September Biz Gains Beat August's

Chain	Sept. 1979	Sept. 1980	Dollar Gain	Percentage Gain
Wal-Mart	$ 94,000,000	$ 120,000,000	$ 26,000,000	27.7%
Caldor	51,604,000	58,430,000	6,826,000	13.2
K mart	1,168,982,000	1,309,460,000	140,478,000	12.0
Zayre	121,099,000	135,403,000	14,304,000	11.8
Murphy's Mart	64,545,000	71,610,000	7,065,000	10.9
Venture	46,300,000	50,600,000	4,300,000	9.2
FedMart	89,100,000	94,700,000	5,600,000	6.3
T.G. & Y.	112,052,000	117,923,000	5,871,000	5.2
Woolworth(a)	629,040,000	658,163,000	29,123,000	4.6
Federated(b)	57,700,000	57,500,000	(200,000)	(0.5)
Ward(c)	482,756,000	504,068,000	21,312,000	4.4
J. C. Penney	1,008,000,000	1,031,000,000	22,000,000	2.2
Sears(d)	1,736,206,623	1,669,362,803	(66,844,780)	(3.9)

(a) Consolidated sales. (b) Discount store division sales. (c) Combined retail divisions.
(d) Retail sales only. ( ) Decrease.

Most leading discounters registered stronger sales gains in September than in the previous month as the nation's economy continued to show signs of coming out of the recession. Discounters, overall, continued to perform better than the Big Three—Sears, J. C. Penney and Ward—with Ward showing a sales increase compared to a decrease the previous month.

Wal-Mart again topped the discounters in percentage sales increase, but its 27.7% gain was under the 40% achieved in August and below the 30%-plus that the regional chain has been checking out in previous months.

The discounters that registered higher sales gains in September than August included Zayre, K mart, Murphy's Mart, Venture, and FedMart. Most of them had gains that outpaced the nation's rate of inflation, thereby scoring real growth in volume.

K mart's 12% sales increase marked the discounter's return to double-digit growth as compared with the 9.6% advance registered the previous month. Sears, meanwhile, had a 3.9% sales decline compared with a 1.1% drop in August.

Quilted, cloth and natural fiber place mats with coordinated napkins take display space from their vinyl counterparts in this gondola run at Bradlees' East Brockton, Mass., store. *(DSN photo)*

Quilted Place Mats Sew Up Rising-Star Role in Domestics

By Laura Mulcahy
Domestics Market Outlook

Quilted place mats have the jump on the spring 1981 kitchen domestics market, thanks to last season's coordinate emphasis and manufacturers' new prolificness, both springboards to heated activity in the category.

Buyers emphasized enthusiastically for spring (and, for those buying closer to season, Christmas) heavy mat programs in quilted cloths and stepped-up commitments to natural fibers.

De-emphasized were vinyl place mats, in response to growing consumer disinterest in staples, and tablecloths in all fabrications, to beef up high unit-volume place mat business.

"The unit volume is absolutely incredible. I don't see an end to it," said Dan Ryan, a Target buyer.

Ryan anticipates place mats will do $1 million to $2 million in the spring, more than doubling the classification's sales contribution to kitchen domestics.

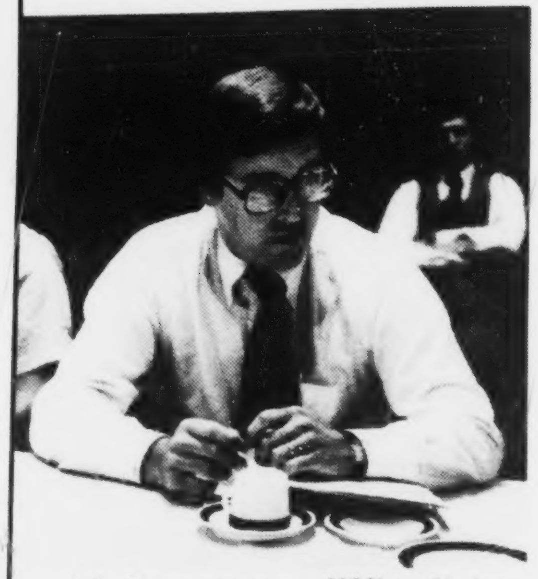
"We've been developing kitchen domestics and expanding place mats for the last year and one half, and we bought accordingly for spring," said Ryan, who pared basics from 50% to 30% of the mix and increased quilteds and straws. With 6-10 solid and 8-20 print offerings, he expects sales to in-

(Continued on page 26)

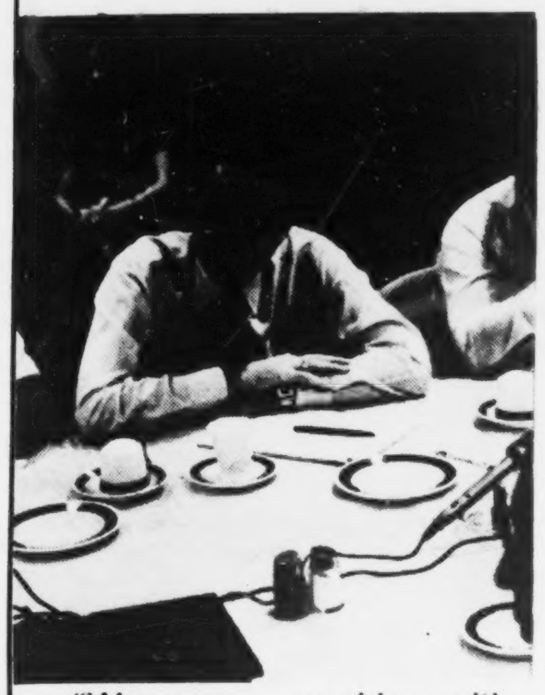
The Touche Ross Management Development lesson appears on p. 6.

Are Name Brand Promos a 'Double-edged Sword'?

They Up Traffic, Lose $$, Housewares Panel Told



"It becomes difficult to build traffic using national brands unless you are willing to lose money."—Jim Peters, Hills.



"We are . . . working with our major suppliers on better ways to replenish."—Alan Long, Magic Mart.

The outlook for housewares and small appliances in the face of the weak economy was the topic of a recent DSN panel. Retailer participants included Angelo Bianco, assistant vice president, Jamesway; Alan Long, vice president, merchandise manager, hard lines, Magic Mart; Ron McDiarmid, dmm, hard lines, Zodys; Jim Peters, dmm, Hills, and Dean Stokes, dmm, Cook United. Manufacturer participants included Ed Donaldson, vp, marketing, Rubbermaid; Bill Foley, manager, marketing services, Anchor Hocking; Dick Gonzalez, vp, advertising, Norelco; John J. Higgins, vp, product marketing, Moulinex; Paul Miltenberger, national marketing manager, and Terry Nauslar, marketing manager, Reynolds Metal; Jack O'Dea, retail sales development manager, Corning Glass, and David Weger, national sales manager, Panasonic.

Stu Horton: Thank you for coming. We want to get down to basics, so let's find out from the discounters what the prognostication is as to housewares for the rest of the year in this economy. Then we can have some give-and-take on how we are going to make housewares a better category in the remainder of 1980.

Angelo Bianco: Well, I think packaging will play a very important part as far as telling the consumer why they need that product, and why it is a necessity rather than a luxury. That's the key. I think we all have to realize that we can't continually mark our merchandise up and up, because eventually we are going to get out of price range.

There is just so much money that can be spent. Deduct the utility bills and energy-related products and there is just so much that is left. It is going to be spent on a consumer product that is needed, that is a must for their household. If you can't get that across, then we are not going to sell the product. As far as an edge is concerned, it is a twofold thing. The item has to be in demand, and it has to be explained to the consumer. Then it's our job to make sure that we have it on our shelves at the right price.

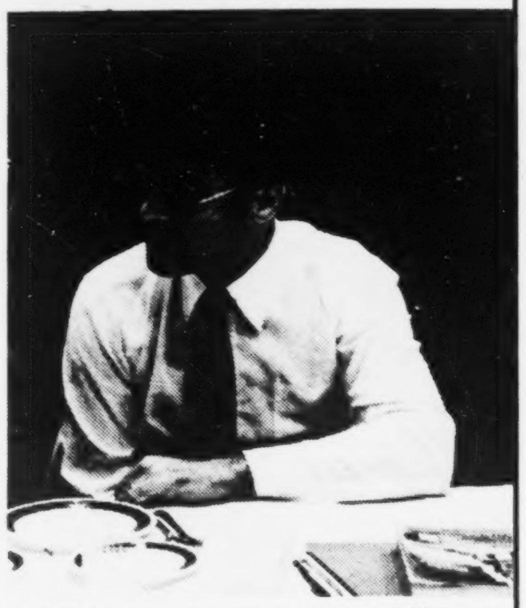
David Weger: I am curious. In a soft marketplace such as ours, do you see the retailer forming and putting together price reductions, using top name brands as opposed to brand X products? Will you be staying with name brands as opposed to the off-shoot items, and will you be running more ads at an intensified level for consumer appeal with price? Does that seem to be the trend for a soft marketplace?

Jim Peters: I would like to respond to that. National brands are a double-edged sword. Most of us will agree that we are working on lower markups with a lot of the national brands. That makes it more difficult to come across to the customer with a value image because your everyday price is based on a lower margin.

It becomes difficult to build traffic using national brands unless you are willing to lose money. I think that might be the danger for the rest of the year—to fall into the trap of losing money on promotional items. We have dangerously low markups up front, so where do you go from there?

(Continued on page 19)

"We have budgeted for a fall sales increase and with this in mind we have increased our inventory accordingly."—Ron McDiarmid, Zodys.



"We try to buy everything we promote on a direct basis."—Angelo Bianco, Jamesway.

Frank and Hays Resume Chain Prexy Positions

Special DSN Report

Hal Frank and Thomas Hays have resumed their previous positions as president of Bradlees and Venture, respectively, causing some industry tongues to wag.

Frank, who left Bradlees a few months ago to "go home to Abraham & Straus," resumed his still-open position at Bradlees for "family considerations," according to a spokesman.

In St. Louis, Hays returned as president and chief executive officer of The May Co.'s Venture, replacing Ira Quint who had headed the chain for only 16 months.

The official explanation of Quint's departure cited his interest in pursuing "other business interests."

But speculation on the change centers on Venture's still lackluster performance years after the chain bit off a big part of Chicago with its acquisition of Turn-Style.

Quint had been expected, because of his merchandising background, to perk up Venture's sales performance through merchandising strategems. His department store background was considered a plus in that area.

Hays, who is familiar with Venture from his previous term as president, is a financial man.

"There may have been some conflict, or confusion on the operations side," explained one Venture insider. "The feeling in the company is that Hays is expected to coordinate, with his discounting background, the operations and financial sides more effectively than Quint."

Quint's experience at Sears, Roebuck also worked against him at Venture. While insiders cited his energy (a "ball of fire"), they also said he "locked himself in his office and expected his staff to execute," as it had at Sears.

"But in this industry, where if you don't do it it doesn't get done, that's the wrong move," said a Venture executive.

"You can't bring in a department store guy and expect him to do the job," said another Venture executive. "Hays has the background to understand and improve our operations."

Venture's Hays

Bradlees' Frank

Commentator Levine Urges More Worker Productivity

MBS Show Shoppers to Focus on Basics

MIAMI BEACH—Discounters attending the Merchants Buying Syndicate MultiMart '80 show here last month reported that sales so far hadn't reflected any major economic upturn, and that staple goods were the only merchandise selling consistently.

Fourth-quarter plans, they said, are to sharply focus on basics to guard against further sales erosion.

One merchandiser explained: "We want to maintain our base, even though we may miss out on any possible big fourth-quarter jump in the economy."

While discounters shopping the show were eying the immediate economic situation, the long-range outlook was discussed by NBC News economic affairs correspondent Irving R. Levine, the featured speaker at the 31st semiannual exhibition.

Levine's prescription to solve the nation's long-term economic problems was to increase workers' productivity and encourage business investments in plants and equipment.

Productivity in the United States, he reported, "has been declining while it is increasing in the major competitor nations." The decline in productivity, he added, "has made the inflation problem worse . . . and the current high level of inflation will make our recovery slower and more difficult."

Levine, however, pointed to some hopeful signs for the future.

"There is a clearer understanding in Congress and among the Presidential candidates that any long-range solution to inflation depends on increasing and improving productivity," he said.

There is also the realization that the nation "needs a more favorable tax climate for industry to make investments to increase productivity through new technology and other methods . . . and a need to reduce Government regulations that result in higher costs."

Energy is the other major economic problem facing the nation. "We need to be self-sufficient to overcome the whims of OPEC," Levine declared. "The Congress and the Administration now realize that this is feasible only when there are price incentives to support energy development."

The long-range answers to solving the problem of inflation aren't seen as having the same adverse impact on the country as the immediate short-range solution. Levine said that this is "the current painful recession."

The newscaster asserted that political efforts have resulted in the major candidates "outdoing each other in ways to stimulate the economy and reduce unemployment."

He noted, in response to a question, that the proposed tax cuts "are really a lessening of scheduled tax increases." Higher social security rates and other mandated tax increases will offset the proposed tax cuts, he said.

"In the past we have faced problems of equal and even greater magnitude and we have survived and improved our nation," he said. "The reason is that the private economic sector is resilient, innovative and ready to take the risks to make changes.

"If the forces of competition and the open market fully come into play, then inflation can be countered," he asserted.

NMRI Conference Set

NEW YORK—The National Mass Retailing Institute (NMRI) will hold its third annual financial conference for discount industry executives at the Fairmont Hotel in Philadelphia on Nov. 17-19.

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SCHOOL HEYDAYS. Writing instruments were the leading BTS sales growth category, according to the PMA from Boston Distributors. P. 11.

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Vol. 19, No. 22 Nov. 3, 1980

Discounters' Margins, Pretax Net Rise; Sales/Ft. Dip

Conventional Stores' Sales/Ft. Jump But Pretax Net Drops

Nationwide DSN Report

Discounters boosted their gross margins by 3.6% and their pretax income by 1.2% but saw sales per square foot fall by 60¢ in the 1979-80 fiscal period.

Conventional department stores, in these key fiscal measurements, showed markedly different results: Gross margins remained flat and pretax income dropped 8.2% but sales per square foot jumped 6.5% or $6.92.

The figures for discounters cover chains that had sales in the $100 million-$260 million range. The figures for conventional department stores cover chains with volume over $100 million.

The discounter statistics came from the National Mass Retailing Institute's Operating Results of Self-Service Discount Department Stores 1979-80, and cover about 15 firms, most of which reported results for the 1978-79 and 1979-80 fiscal periods.

Conventional department stores' information came from the National Retail Merchants Association's Financial and Operating Results (FOR) report, with 28 firms generating a total of just over $6 billion in sales reporting for the 1979-80 period, and 29 companies producing $6.2 billion in volume reporting for the 1978-79 period.

Discounters' gross margins hit 30.73% from 29.65% while conventional department stores had a much smaller increase, going from 42.32% to 42.61%. The big jump in discounters' margins reflects the continuing effort to trade up lines.

The discounters' improved gross margins helped to boost pretax income from 4.14% to 4.19%.

The flat gross margin for conventional department stores, coupled with higher expenses, helped reduce their pretax income to 5.45% from 5.94%.

Discounters' sales per square foot remained flat at $90.45 compared with $91.05 in the previous fiscal period while conventional department stores had a big jump to $113.44 from $106.52.

The diverse results reflect the fact that discounters continued to offer a broad assortment of low-cost merchandise, particularly such hard goods as automotive and household chemicals, gadgets and health and beauty aids.

Conventional department stores, on the other hand, emphasize high-priced designer brand apparel, and merchandise hard goods in departments that use minimum footage. Their hard lines effort is focused on higher-priced items such as console TVs.

While discounters and conventional department stores went different ways in these three financial areas, the two types of retailers followed similar trends in four other areas—turns, out of stock, leased department sales percentage, and sales-to-assets ratio—and showed markedly distinct results in cash sales as a percentage of total volume.

Both types of retailers improved turns slightly, discounters by 1.2% to 3.46 and conventional department stores by 2.1% to 3.34.

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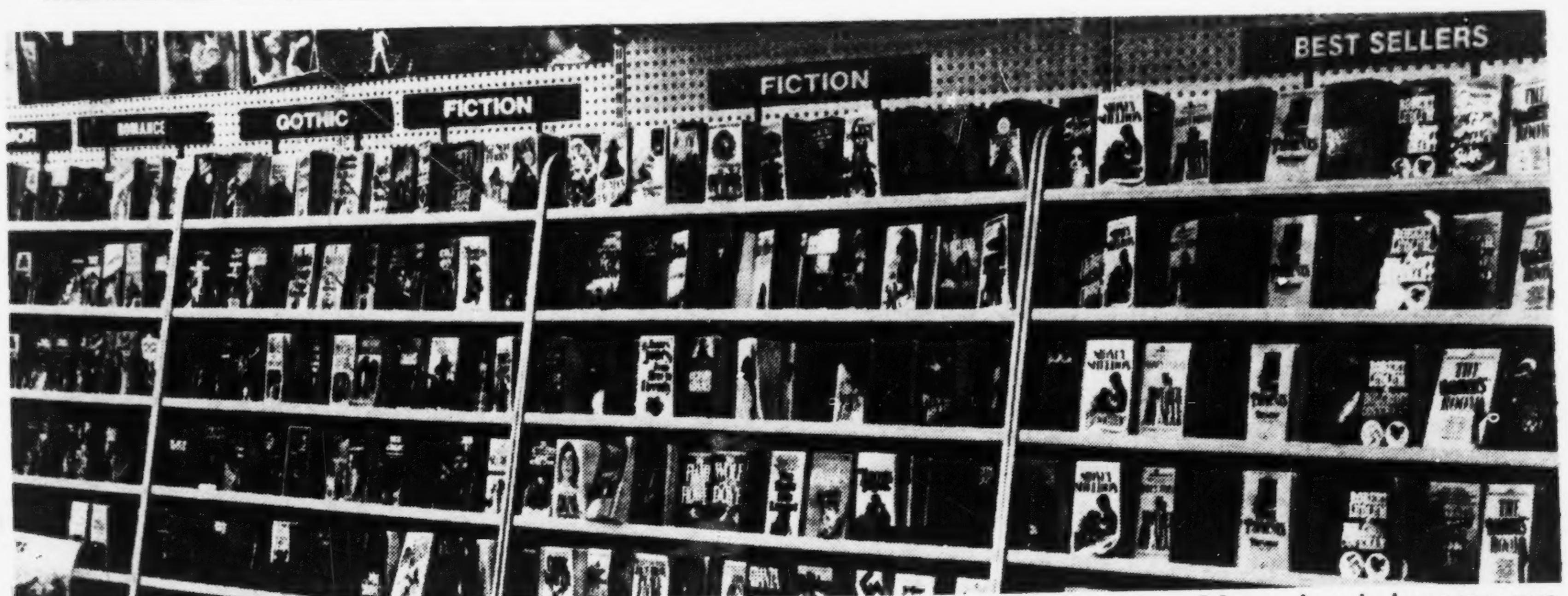


Fiction paperbacks dominate shelf space at Saugerties, N.Y., Jamesway. Many book buyers are moving slower-moving basics, romances and expensive hardbacks to promo sites. *(DSN photo)*

Promos, Discounts Help Restore Book Volume

DSN Nationwide Report

Discounters are experiencing revived book sales as buyers go heavier into promotions, fiction titles and, in some cases, children's books.

Discounting basics—merchandising the 20% of product that does 80% of the business—and aggressive promotions have played a large part in keeping sales hot at discount stores, while the retail book industry is generally stagnant.

Increased sales at most chains, compared to last year, are also being generated by refining mixes.

"It's a fashion business. You have to be flexible enough to change quarterly," said assistant Target buyer Marshall Hanson.

Book sales increased across the board for spring, with hardcovers up 31½%, paperbacks 27½%, children's 48½%, and magazines 13½% at the chain.

The newest addition is a top-10 selection of paperbacks, which has been excellent, Hanson said. He has emphasized a promotional push in the chain's 80-ft. departments, which have three tables and four endcaps. Those tables now display one-time buys of remaindered hardcovers, and seasonal promotions of cookbooks or Bibles, for instance.

Children's books are slated as a growth category.

"I want to expand sku's. The potential is in more sku's per square foot," Hanson said.

At Venture, children's books have been the "single fastest-growing category" for the last 18 months, buyer Mike Martin said, noting that sales are way up from last year's flat volume.

"We're showing an increase, and we're discounting books for the first time," Martin said. This year, the chain revised its pricing policy, discounting all books 10%.

Explained Martin: "There's more profit to be made that way, because the department is rack-jobbed with safe, standard margins. When we lower prices, although we are taking a bigger risk, we get better turns and thus make more money."

By tailoring the mix more carefully, the new approach works for the chain. Remainders, such as hardcovers originally priced at $15.99 and put on sale for $2.99 or 99¢, are one example.

"Our customers are looking for bargains. And we've found

(Continued on page 26)

Target Completes Ayr-Way Buy After Exhaustive Site Inspections

MINNEAPOLIS—Target has completed its purchase of the Indianapolis-based Ayr-Way chain for an undisclosed amount of cash.

An agreement in principle between Dayton Hudson, Target's parent, and Stephens Inc., the Arkansas-based investment firm which owned 71% of Ayr-Way's stock, was first announced July 15. At that time, industry sources put the purchase price at between $25 million and $30 million.

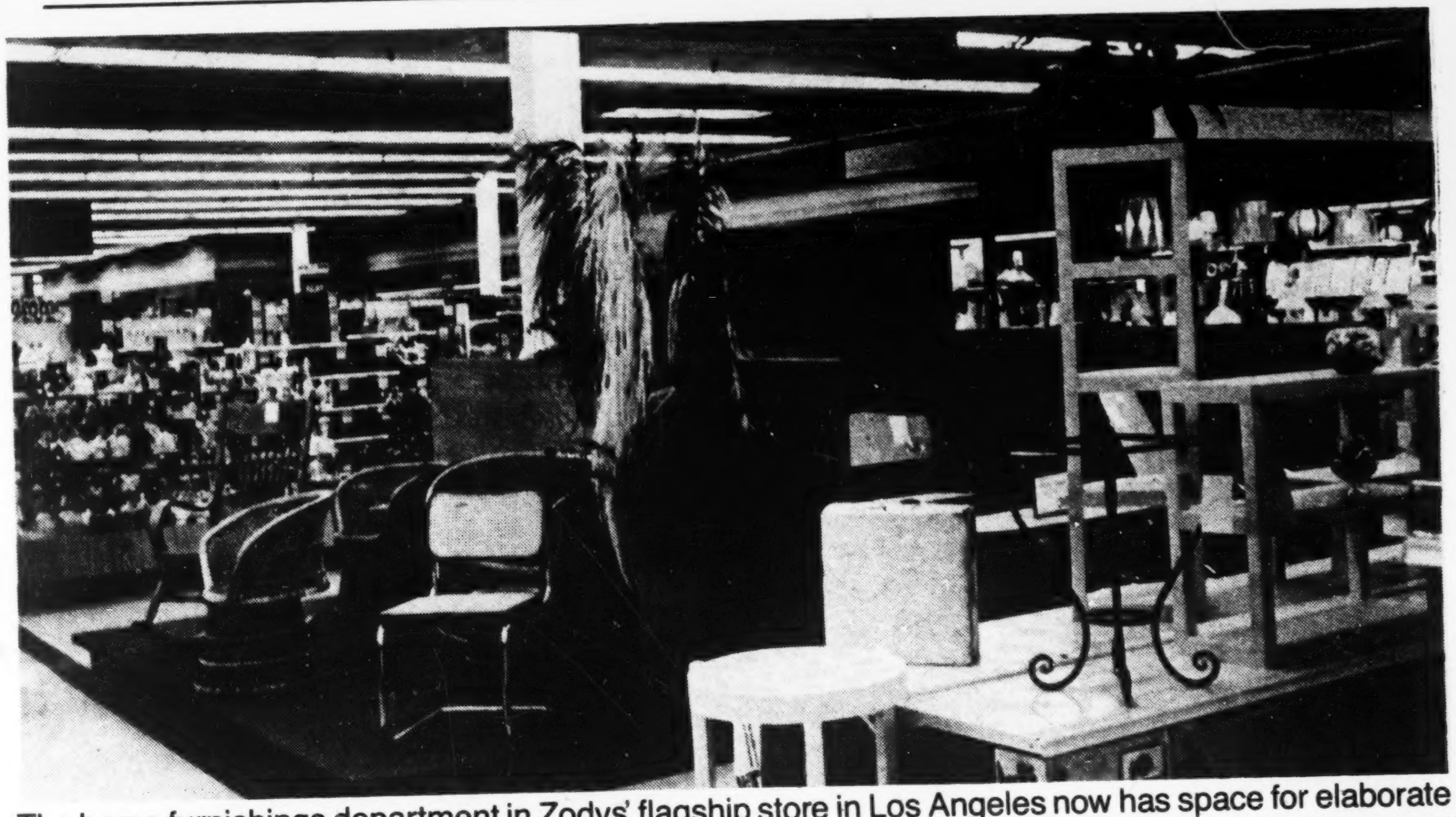
Target attributed the delay in consummation of the deal to an exhaustive on-site inspection of the Ayr-Way stores. A rumored FTC investigation of the takeover never materialized, "as far as we know," a chain spokesman told DSN.

With the addition of the Ayr-Way stores, which will operate under the Target/Ayr-Way banner for the next year and a half, Target will increase its operations from 13 to 16 states. Thirty-one of the Ayr-Way stores are in Indiana; the others are in Kentucky, Illinois and Ohio.

Industry watchers point out that the takeover, coinciding as it does with the massive remodeling and upgrading efforts of K mart's nine stores in that market, sets the stage for an interesting merchandise battle in the coming months.

Current plans call for the Ayr-Way staff to remain intact and for president Ronald G. Mayer to continue mending the chain, which has now become an operating region of Target Stores.

Fred Schmid, formerly director of store operations for Target, has been named vice president and regional manager of the Ayr-Way operating region. He will be responsible for store operations activities and will report to Mayer.



The home furnishings department in Zodys' flagship store in Los Angeles now has space for elaborate merchandise presentations as a result of a 20,000-sq.-ft. expansion and remodeling. *(DSN photo)*

Agreement Is Reached on $51M Sale Of 16 Jewelcor Showrooms to Wilson

WILKES-BARRE, Pa.—Jewelcor and H. J. Wilson at presstime reached agreement on Jewelcor's sale of 16 showrooms and a warehouse to Wilson for approximately $51 million, $40 million of which is for inventory.

Jewelcor this month plans to hold going-out-of-business sales in its Plantation and West Hollywood, Fla., showrooms, two of the three units in the Sunshine State that aren't being sold to Wilson. The West Palm Beach, Fla., showroom, so far, is scheduled to remain in operation.

The sale of the 16 showrooms in five Sunbelt States is part of Jewelcor's plan to restructure its operations to focus on the Northeast, where it will have 10 of its remaining 11 on-going showrooms and where the company plans to build an ethanol alcohol plant. (See DSN, Sept. 22, P. 3.)

A Jewelcor executive added that the sale of the showrooms would also reduce the firm's direct competition with other showroom operations so that the company would be in a better position to interest other catalogers in using the book published by the Jewelcor Merchandising catalog coordinating division.

Wilson's purchase of the showrooms would tie in with the company's efforts to expand in the Sunbelt where it has most of its 47 units. The acquisition would put Wilson into two new states, California and Arizona, while expanding its equity in Texas, Alabama and Florida.

(Continued on page 12)

Zodys Remodels Flagship Store, Adds 20,000 Ft.

LOS ANGELES—With an 80,000-sq.-ft. sales floor, Zodys' Hollywood flagship had been operating in "cramped quarters," according to chain president Arnold Suval. A 20,000-sq.-ft. addition and a total remodeling—both highlighted at a grand reopening last month—should have changed all that.

Apparel and The Home Store benefited most from the additional floor space, garnering 75% of it. The remainder was used to widen aisles and common areas and to provide room for increased merchandise presentation. (The chain did not add to the mix or change the price points at the store, which is its largest volume producer, according to Suval.)

With the old floor plan, Suval explained, there had been inadequate room for merchandise displays, traffic aisles were tight, perimeter walls weren't heavily merchandised and customers had difficulty finding things.

Moreover, shopping carts were barely maneuverable in the main aisles, let alone in the smaller department aisles, especially during peak sales periods.

The remodeling and expansion eliminated those problems.

- The typical T-fixtured main aisle has been replaced by a 20-ft.-wide race track, now wide enough to accommodate promotional tables.
- The store has been completely refixtured, with greater emphasis on Plexiglas cubes, waterfalls, circular racks and other accent fixtures.
- The perimeter walls are heavily merchandised.
- Gondola widths in some cases have been reduced from 4 ft. to 3 ft., while 54-in.- and 56-in.-high gondolas have been replaced with 72-in. fixtures.
- In apparel, the whole department has been completely upgraded and a 1,000-sq.-ft. Plus Sizes department (for larger-sized women) has been added. In addition, the floor space, which accounts for 40% of the

(Continued on page 5)

How most of the world asks for spark plugs:

In most parts of the world, people speak a common spark plug language: Champion. It's the plug most of the world's motorists prefer. From Auckland to Zululand. Manila to Maracaibo.
It's also the plug that more of the world's car makers use than any other brand. From Fiat to Rolls-Royce to AMC.
And it's the plug most big-time racing champions use in their cars and motorcycles, too.
One reason for all this popularity is that Champion is unexcelled in the design and engineering of spark plugs. Which is something you'd naturally expect from a world leader.
Another reason is that Champion is famous for making plugs that are exactly right for virtually every engine. Big or small.
So when you stock Champion, you're stocking a spark plug with quite a reputation. A p[illegible] that's already sold itself before your customers get there.

CHAMPIONS, PLEASE

CHAMPION

You can't sell a better plug.

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SCOTCH® CASSETTES.

SOMETHING FOR EVERY RECORDING ARTIST THAT COMES INTO YOUR STORE.

TAPES

Scotch® Recording Tape: one of the best-selling brands of blank recording tape in the country today. It's hardly surprising. Customers like the true, pure sound they get from Scotch, whether they're recording voices on a portable or getting together some traveling music for a car stereo.

Here are four profit-oriented points.

Great selection. There's a Scotch Recording Tape to meet every customer's needs and musical tastes. Scotch Dynarange® is a great example. You can't sell a comparably priced tape that gives a user better sound. Then there's Scotch Highlander®. It gives users maximum sound quality at minimum cost. It's just great for portable tape recorders.

Different tape types. You can be sure of matching your customer's recording equipment, too. Scotch comes in cassettes, 8-track cartridges, and open reel. All tape comes in a variety of lengths.

National advertising. Scotch Recording Tape is backed up by powerful advertising again this year, including print and radio. The Scotch line will be in front of potential "recording artists" all year round.

Outstanding reputation. The most important point of all. Your customers know the Scotch name. They look for it when they're shopping for blank recording tape. They remember it when they buy on impulse.

All in all, the Scotch Line offers true, pure sound for your customers, and true, pure profit for you. Contact your Scotch Recording Tape Representative for more information.

Scotch
DYNARANGE
90 cassette
3M

SCOTCH® RECORDING TAPE. THE TRUTH COMES OUT.

3M

Discounters' Margins

(Continued from page 3)

Out-of-stock, as a percentage of company-owned volume, became worse for both, with discounters increasing to 2.79%, a 12% decline in performance, while conventional department stores went up 10.1% to reach 2.40%.

Leased departments continued to account for a smaller share of the volume reported by both retailers. Lessees had only 4.17% of discounters' sales, a 96.6% decline, while in conventional department stores lessees accounted for only 5.62% of volume, an 8.8% drop.

In the vital sales-to-assets ratio, both retailers reported poorer results. The discounters' 2.76 ratio was a 9.2% drop; conventional department stores at 1.93 fell only 0.5%.

Cash sales as a percentage of total sales fell 2.7% in discount stores, going from 86.34% to 84%. Conventional department stores showed almost no change: 42.25% in the 1979-80 period compared to 42.11% in the previous span.

The drop in the use of cash to purchase goods in discount stores reflects the recession and the attempt by consumers to extend payment for merchandise over as long a period as possible through the use of charge cards, layaway and revolving credit. This use of plastic money has been common for conventional department store customers—witness the low cash-sales ratio—and is now growing among discount store shoppers, especially those trading down from conventional department stores.

The discount store study is available from the NMRI, 570 Seventh Ave., New York, N.Y. 10018 for $45 ($35 to NMRI members). The FOR report is available from the NRMA, 100 West 31st St., New York, N.Y. 10001, for $45 ($30 for members).

Stores Compared

	Discount Stores	Department Stores
Gross Margin	30.73%	42.61%
Turns	3.46	3.34
Sales/sq. ft.	$90.45	$113.44
Out of Stock	2.79%	2.40%
Leased Dept. Sales	4.17%	5.62%
Sales/Assets Ratio	2.76	1.93
Net Income (pretax) as % of Sales	4.19%	5.45%
Cash Sales	84.00%	42.25%

Masters Adds 12 Specialty Stores

WESTBURY, N.Y.—Masters at presstime began operating the 12 Village Casuals ladies' specialty stores in Texas it purchased in a bankruptcy sale for $625,000.

The stores are being run by Masters' Susan Terry division, which will also open a unit later this month in Harrisburg, Pa. The Village Casuals stores and the new unit boost the Susan Terry operation to 29 stores, with most using the Susan Terry name.

The Village Casuals stores, which average 3,000 sq. ft., include seven units in San Antonio and five in communities along the Texas-Mexico border.

The chain had 30 stores when it went into Chapter XI in May. The mix focuses on name brand ladies' apparel, including coats, handbags and accessories, and is being maintained by Masters.

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hot BTS Items Led By Writing Instruments

By M. Raymond Prendergast
President,
Boston Distributors

The 1980 back-to-school season was our best ever as we experienced a 20% increase with existing stores and a 50% increase, including new business. Retailers who addressed the season with good assortments, adequate inventories, and aggressive promotions won significant market share from those who sat back in fear of a recession.

Writing instruments enjoyed our largest dollar sale increase with a 62% growth over last year. Papermate's Erasermate led the PMA in dollar sales (No. 2 in unit sales) as most of our customers gave the item prime ad space and hot ad retails ranging from 97¢ to $1.59. Scripto's entry in the erasable segment came on late but scored well. We expect Scripto to give Papermate a run for its money in 1981 as it is a disposable at half the price of the refillable Erasermate.

Ten-pack pencils from Empire led the PMA in unit sales (No. 2 in dollars) and were featured at retails ranging from 39¢ to 59¢. Bic's 10-pack pen, 3-piece school special, and 3-pack Clic all showed strong on the PMA but were only slightly ahead of last year. Bic's new Roller Ball, a sure winner for 1981, will make up for much of

(Continued on page 12)

Stationery

Figures for the Feb. 1-Sept. 15 period were supplied by Boston Distributors, a division of Cook United, Maple Heights, Ohio. The figures cover 320 stores, including 290 discount department stores, in 18 states. Average retail price listings were omitted because of their highly promotional nature.

WRITING INSTRUMENTS & ACCESSORIES

$ Rank	Item	Unit Movement	Unit Rank
1	PM Erasemate Pen 38004	141,888	2
2	Empire Pencils 10 Pack 1018	178,080	1
3	Bic Pens 10 Pack S2505	51,475	3
4	PM Wright Brothers St. Pen 10 PK 93060	25,560	6
5	Magic Marker Markers 20 Pak	17,395	9
6	Bic Click Value Pk 3 PR 5207	27,012	5
7	Bic 3 PC School Special S69	49,596	4
8	Berol Roller Pen Blue Spec 3Pk	13,092	11
9	Bic 5 "STAR" Pack Med Pen S1254	17,687	8

SCHOOL PAPER & NOTEBOOKS

$ Rank	Item	Unit Movement	Unit Rank
1	Filler Paper WM 200 CT	543,384	1
2	Filler Paper NM 200 CT	232,632	3
3	Spiral Notebook 70 CT	271,560	2
4	Theme 5 Subject WD05760 200 CT	42,396	8
5	Filler Paper WM 150 CT	64,116	5
6	Theme 3 Subject 05-7490 120 CT	56,016	6
7	Trapper Keeper Binder 29096	10,536	15
8	Organizer BDR 29-4028 29400	10,284	16
9	Data Center BDR 29-0300	8,964	17
10	Spiral Notebook 524011 100 CT	35,892	10

SCHOOL SUPPLIES

$ Rank	Item	Unit Movement	Unit Rank
1	Photo Album 20 Page K20	27,648	8
2	Envelope 63/4 75-2100 100 CT	108,264	1
3	Envelope Legal 75-2300 50 CT	94,152	2
4	BS Crayola Crayons 24	48,792	4
5	Crayola Crayons 64 CT	21,552	12
6	Scotch Utility Tape ½ x 800 RK2	85,416	3
7	BS Crayola Crayons 48	20,118	13
8	Star Wars Cork Board Disp 91905	6,840	19

OFFICE SUPPLIES

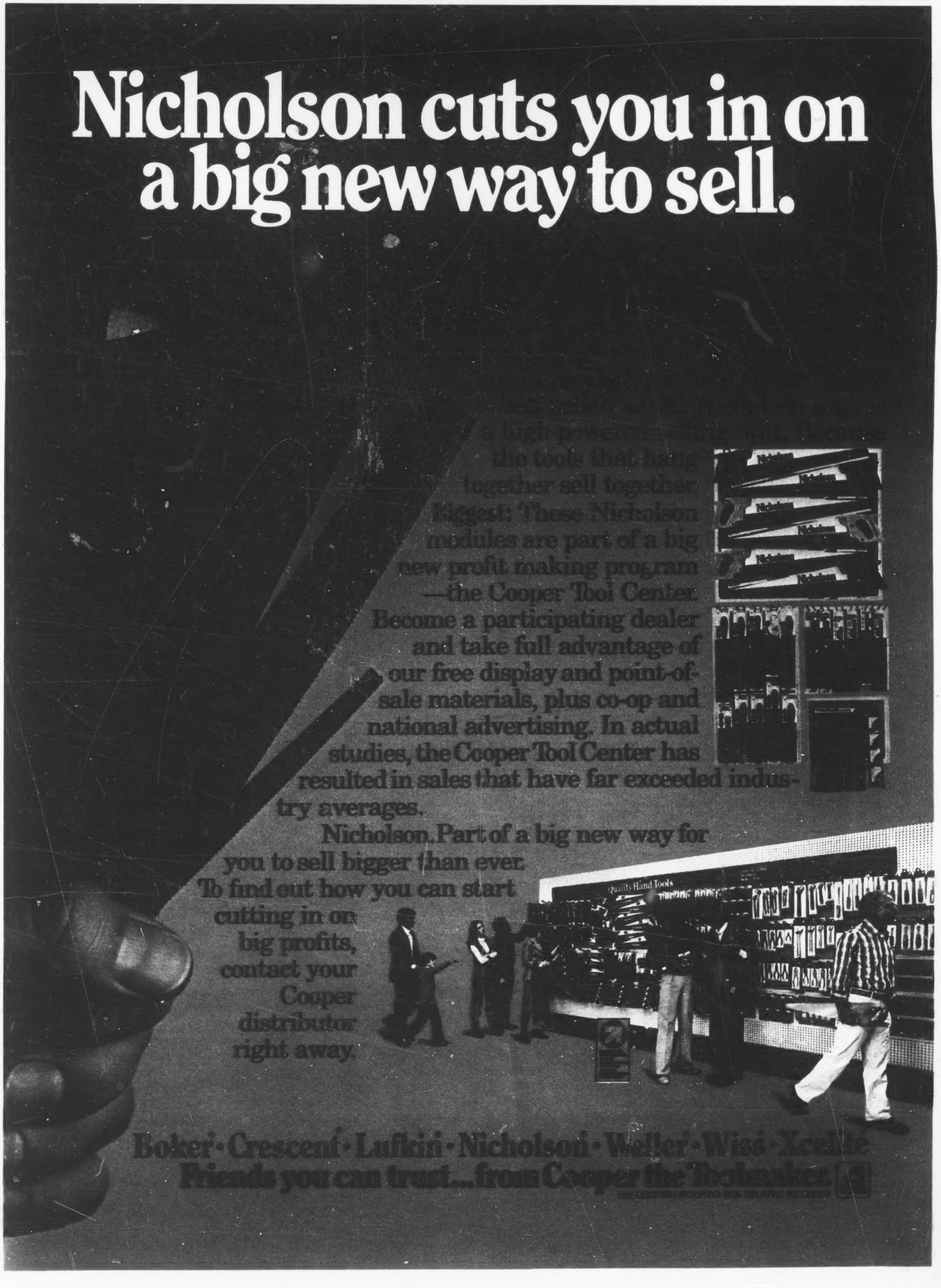
$ Rank	Item	Unit Movement	Unit Rank
1	Typing Paper 6060 200 CT	36,696	1
2	Steno Book-White 43-8612 80 CT	29,856	2
3	Erasable Type Tablet 3805610 40 CT	10,980	4
4	Liquid Correct Fluid White 564C	9,240	6
5	Legal Pad 11" 59-6226 50 CT	12,408	3
6	Legal Pad 14" 5906656 50 CT	8,712	7
7	Carter Carbon Paper 65200	10,908	5
8	File Folers ⅓ Cut 40306	6,635	9
9	Tele Address Book 80006	3,583	13
10	Tele Address Book 80011	2,148	14
11	Dairy One Year 1106	1,044	18

Ex-DH Execs Buy Division

MINNEAPOLIS—Dayton Hudson Corporation announced sale of its shopping center development and management business to The Center Companies in October.

The Center Companies is an independent management group formed by five senior executives formerly in charge of real estate operations for the corporation.

The sale, announced by William A. Andres, Dayton Hudson chairman, and Michael F. Kelly, ceo for The Center Companies and former Dayton Hudson Properties president, includes: 1) transfer of staff and management of Dayton Hudson Properties to The Center Companies; 2) transfer of existing management and development contracts and leasing responsibilities (including 22 shopping centers, 11 of which in the last three years were sold by Dayton Hudson Corporation to Dayton Hudson Properties); 3) options on, or other interests in, 26 project sites for future development.



Nicholson cuts you in on a big new way to sell.

[illegible] a high-powered selling unit. Because the tools that hang together sell together. Biggest: These Nicholson modules are part of a big new profit making program —the Cooper Tool Center. Become a participating dealer and take full advantage of our free display and point-of-sale materials, plus co-op and national advertising. In actual studies, the Cooper Tool Center has resulted in sales that have far exceeded industry averages.

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